NDTV

"A Successful Transformation"

annual report

2007 - 2008

Contents

Board of Directors:

Dr. Prannoy Roy
Chairman and Whole-time Director

Mrs. Radhika Roy
Managing Director

Mr. K V L Narayan Rao
CEO and Whole-time Director

Mr. N R Narayana Murthy
Non Executive Independent Director
Chairman, Infosys Technologies Limited

Mr. Amal Ganguli
Non Executive Independent Director
Former Managing Partner PWC

Mr. Vijaya Bhaskar Menon
Non Executive Independent Director

Ms. Indrani Roy
Non Executive Independent Director

Audit Committee
Mr. Amal Ganguli-Chairman
Mr. Vijaya Bhaskar Menon
Ms. Indrani Roy
Mr. K V L Narayan Rao

Remuneration Committee
Mr. Vijaya Bhaskar Menon-Chairman
Mr. Amal Ganguli
Ms. Indrani Roy

Shareholder's and Investors Grievance Committee
Ms. Indrani Roy- Chairperson
Dr. Prannoy Roy
Mrs. Radhika Roy
Mr. K V L Narayan Rao

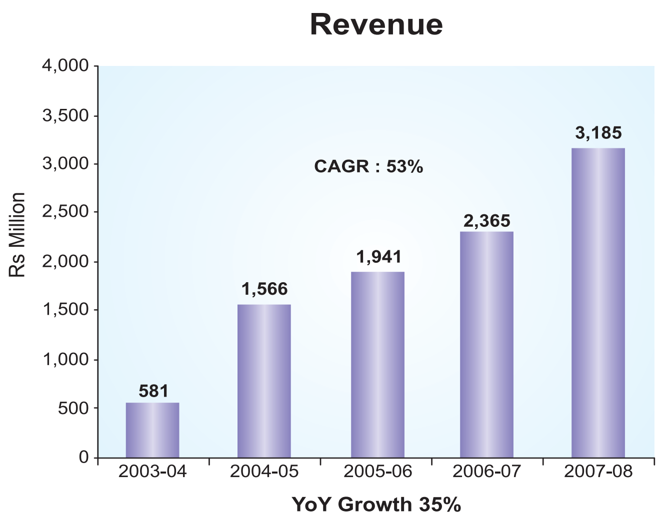
ESOP Committee
Mrs. Radhika Roy
Mr. Vijaya Bhaskar Menon
Ms. Indrani Roy

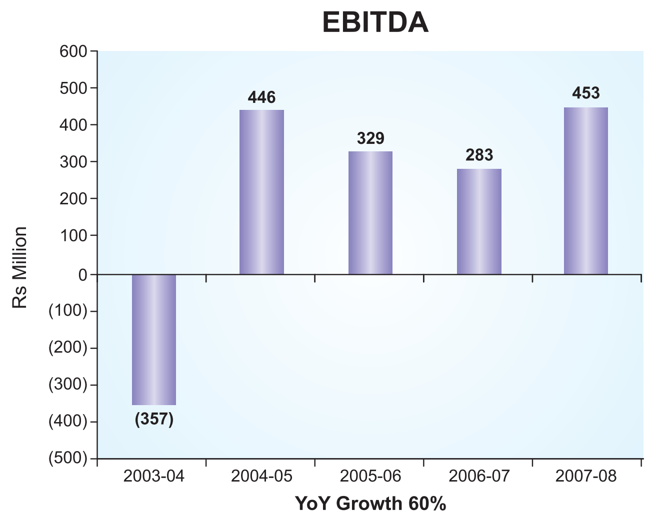
Company Secretary and Compliance Officer
Mr. Rajiv Mathur

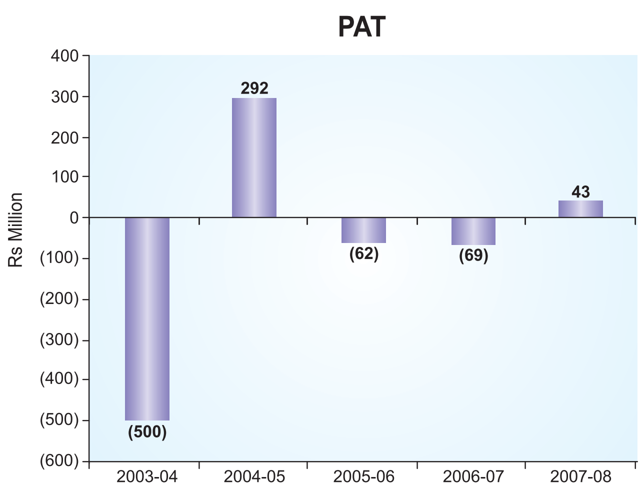
Auditors
Price Waterhouse
Building- 8, 7th & 8th Floor,
Tower-B, DLF Cyber City, Gurgaon - 122002, Haryana
Phone + 91 124 462 0000
Fax + 91 124 462 0620

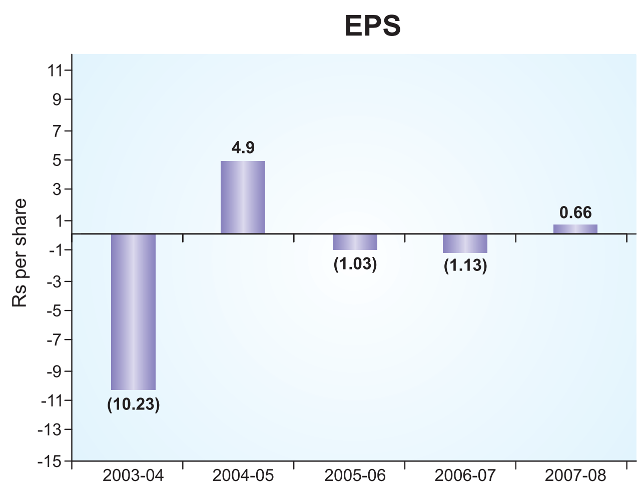
Registered Office
207, Okhla Industrial Estate, Phase-III,
New Delhi-110020.
Phone-91 11- 4157 7777, 2644 6666,
Fax-91 11 29231740, 41735110

NEW DELHI TELEVISION LIMITED

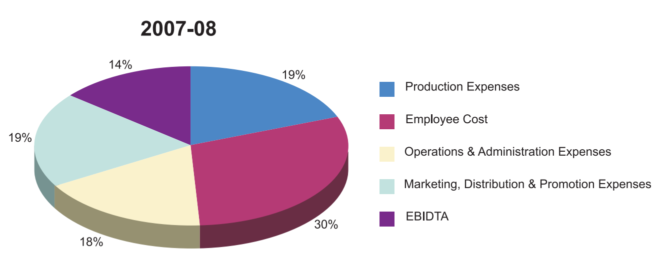


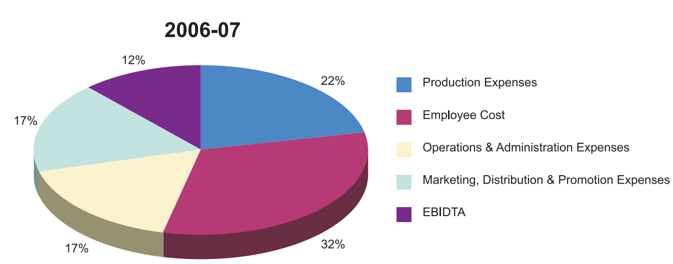






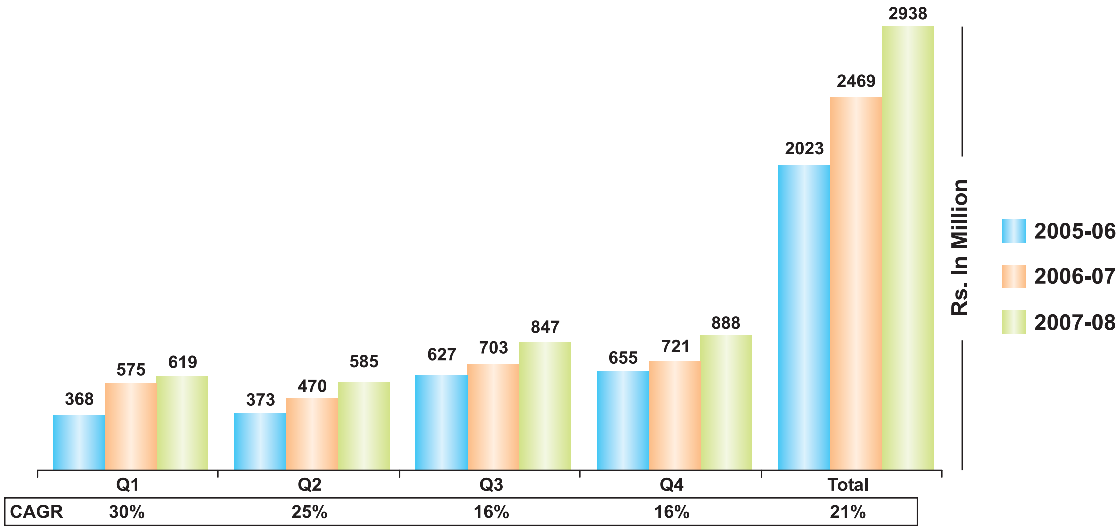
EXPENSES & EBITDA TO TOTAL REVENUE





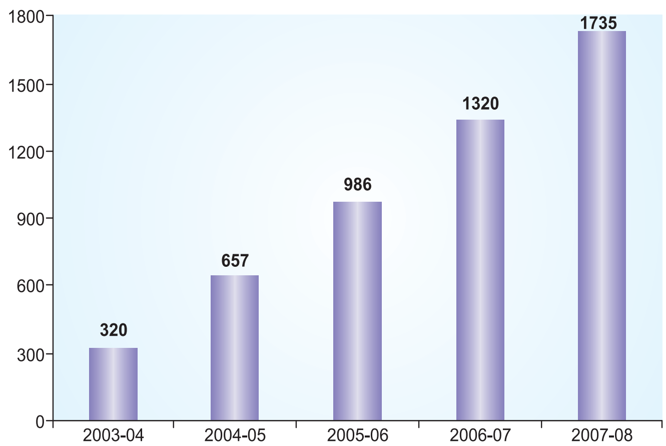
ADVERTISING REVENUES

Advertising Revenues (Including net Barter Revenue)

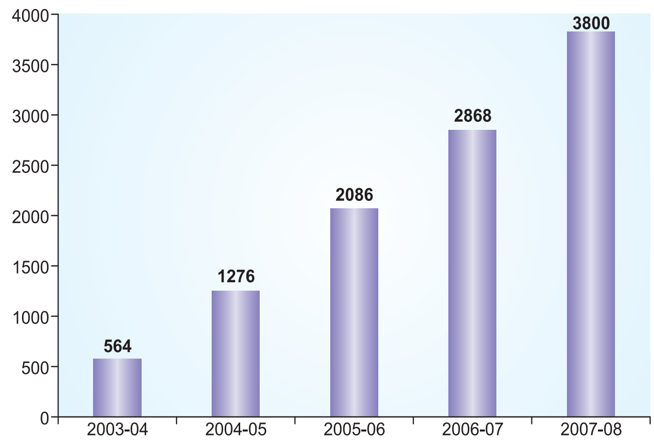


ADVERTISING BASE

Number of Advertisers



Number of Brands



Awards during the last year

Padma Shri Award

Barkha Dutt

Vinod Dua

Indian New Television Awards

Lifetime Achievement Award
Dr. Prannoy Roy

Best Hindi News Channel
NDTV India

Best TV News Anchor - English
Barkha Dutt

Best TV News Anchor - Hindi
Vinod Dua, NDTV India

Best TV News Reporter - English
Shaili Chopra

Talk Show on a News Channel- Hindi
Hum Log

Talk Show on a News Channel- English
We The People - Homosexuality Special

Best Lifestyle & Fashion News Show- Hindi
Raat Baaki

Best Entertainment News Show- English
India Questions with Amitabh Bachchan

Best Entertainment News Show- Hindi
Jai Jawan with Preity Zinta

Best Sports News Show - Hindi
Jeeto India Jeeto

Best Investigative Reporting - Hindi
Khabron Ki Khabar

Best News Documentary Programme Limited Episodes-Hindi
Special Report

Best Current Affairs Show (Home & International) - Hindi
Khabron Ki Khabar

Best Current Affairs Show (Home & International) - English
Nandigram: The Land Bleeds

INDY's Award

Best Fashion & Lifestyle Channel
NDTV Good Times

World Economic Forum (WEF)

Young Global Leaders for 2008
Barkha Dutt

Commonwealth Broadcasting Award (CBA)

CBA-Thomson Foundation Journalist of the Year Sutapa Deb

CBA for Innovative Engineering
NDTV Labs- nX Paint software

NAB International Broadcasting Excellence Award
NDTV Labs- nX Paint software

Transparency International India Awards
BMW Expose - Poonam Aggarwal
Mined to Death - Sidharth Pandey

Dear Shareholders

India Comes of Age

NDTV turns 20

India is 60 years old this year. The story of our post-independence history is actually two separate stories - almost a tale of two countries. In the first 40 years the economy grew at a slow 3% annual rate. The second phase - the last 20 years - has seen a rate of growth averaging closer to 7% and most recently touching 8-9%. A structural shift in growth rates of this size is seldom seen in the development of nations unless it's accompanied by catastrophic social change.

India has achieved this as a virtually uninterrupted democracy. We are now perhaps the only democracy in world history to grow at 7% or more over a sustained period. And let us be clear, it is our democracy that has sewed the seeds of creativity in our people - a sense of freedom and creativity that is so crucial for the quality and growth of media.

What caused India's growth rate to double between phase one and phase two? Many attribute it to the liberalization process that began in 1991. There have been other parallel changes too - some equally significant perhaps. For instance, during these 60 years, India's democracy and media have changed dramatically.

The Indian voter has changed. In the first phase, the first 40 years after independence, 80% of governments were voted back in to power. Now it's the opposite. In the last 20 years, 80% of governments are voted out of power. From an initial period that saw 'incumbency advantage' for 40 years, Indian democracy has switched to what is now seen as 'incumbency disadvantage'. Voters now insist on performance from their political leaders. Indian voters have become more educated, more active, more aggressive and more demanding. The new message is loud and clear: perform or you're out.

Indian media too has seen a fundamental structural change in these two phases of our post-independence history. During the first 40 years, Indian television was dominated by one, state-run channel. Twenty years ago, the coming of satellite technology, brought about the private sector media revolution in India. Today there are nearly 500 channels. We've come a long way in such a short time.

NDTV is 20 years old. We are fortunate to have been part of the second, the dynamic phase, of Indian democracy. Our own company's growth has been so closely intertwined with i) the new rate of growth, ii) the coming of age of India's democracy, which has let a hundred flowers bloom - of which NDTV was one - and iii) the tide of technology that produced a wave of private television channels in India. We still look back at a turning point over 12 years ago when we produced the first-ever private 'news' broadcast in India.

The Successful Transformation of NDTV

The transformation of India's growth rate has had a direct impact on the media sector too. A high growth coupled with a robust democracy with its freedom of speech and action are the proximate determinants of a vibrant Indian media. NDTV is fortunate to be in a position to take advantage of these favourable conditions. After nearly 20 years as primarily a news company, NDTV this year has been successfully transformed into a "total media' organisation. Your company has broken new ground in the general entertainment space and in the exciting new lifestyle genre targeted at the aspiring middle class with disposable income.

Your company this year launched a very successful Hindi general entertainment channel called NDTV Imagine. The channel was widely reported as being the next big thing in Hindi entertainment as it broke the stereotypical mould that has characterised this genre in India. Your company also launched a high quality lifestyle channel, NDTV Good Times, which is now a clear leader in its genre. These structural shifts in NDTV's direction have given your company a new impetus for rapid growth and vision.

In the new venture towards "beyond news", we are proud to announce that your company has entered into a strategic alliance with one of the finest media organisations in the world. NBC Universal (USA) now holds an effective 26 per cent stake in the NDTV subsidiary, NDTV Networks Plc., which was set up for the entertainment, lifestyle and convergence businesses. We look forward to a strong and beneficial partnership with NBC Universal to which it brings vast experience of the world of entertainment and much more.

Meanwhile NDTV's news and business channels remain leaders in credibility and impact. As in previous years, this year too NDTV has run some very successful campaigns for justice and the environment. Building on the success of our campaign for justice in the Jessica Lal case last year, this year our expose of the BMW case caught the nation's attention, as did our campaign on the Right to Information featured especially on our new Delhi-based city channel, Metronation. Our campaign to 'Save the Tiger' was especially successful among school and college children across the country. The Prime Minister personally accepted a petition on behalf of NDTV viewers and the World Bank held a special event in Washington to save the tiger to which NDTV was a special invitee.

NDTV promises to stay focussed on serious journalism and to shun the growing trend towards tabloid news. We believe that credible journalism is what our viewers and the country expect from us and we promise to do everything in our power to remain committed to that goal.

Thank you once again for your faith, confidence and trust in NDTV.

With warmest good wishes.

Dr. Prannoy Roy
Chairman

Place : New Delhi
Date : August 8, 2008

Radhika Roy
Managing Director

New Delhi Television Limited

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the Twentieth Annual Report and Audited Accounts of the Company for the Financial Year ended March 31, 2008.

Financial Results

The summarized Financial Results for the year ended March 31, 2008 are as follows:-

	Year ended 31.03.2008 (Rs. in Crores)	Year ended 31.03.2008 (Rs. in Crores)	Year ended 31.03.2007 (Rs. in Crores)	Year ended 31.03.2007 (Rs. in Crores)
	Standalone	**Consolidated**	**Standalone**	**Consolidated**
Business Income	305.62	366.13	235.38	278.44
Miscellaneous Income	12.88	21.81	1.09	1.24
Total Income	318.50	387.94	236.47	279.68
Profit/(Loss) before Tax	21.02	(163.34)	9.47	11.50
Employee Stock Compensation Expense	11.83	13.50	29.47	35.61
Provision for Tax / Others	4.91*	8.82*	(13.11)*	(9.66)*
Share of Minority and Profit of Associate		(2.92)		(0.27)
Net Profit/(Loss) after Tax	4.28	(188.58)	(6.89)	(14.72)
Balance brought forward from Previous Year	17.35	20.85	30.09	41.42
Appropriation:				
Transfer to General Reserve	NIL	NIL	NIL	NIL
Proposed Dividend on Equity Shares	5.01	5.01	5.00	5.00
Tax on Dividend	0.85	0.85	0.85	0.85
Profit carried to Balance Sheet	15.77	(173.59)	17.35	20.85

*Includes Deferred Tax (Income) / Expense

The Year Under Review

During the year under review, the Company achieved turnover of Rs. 305.62 Crores and PBDIT of Rs. 45.25 Crores, The Company's profit before tax and ESOP cost was Rs. 21.02 Crores; Net Profit after tax was Rs. 4.28 Crores and earning per share Rs. 0.68 (Basic) and Rs. 0.66 (Diluted).

A detailed review of the Company's operations has been provided in the Management Discussion and Analysis Report, which forms part of this document.

Audited Consolidated Financial Statements for the year ended 31st March, 2008 also form a part of this Report.

Dividend

In view of inadequate profits on account of a charge relating to employee compensation cost (ESOPs granted) during the year, the Board of Directors of your Company has decided to recommend payment of dividend of Rs. 0.80 per share (i.e. 20% of face value of share) amounting to Rs. 5.01 Crores from the past profits represented in the Profit and Loss Account of the Company in terms of Section 205 of the Companies Act, 1956.

Deposits

The Company has not accepted/renewed any deposits from the public during the year.

Corporate Governance

The Company's **Corporate Governance Report** is attached and forms a part of this report.

Employee Stock Option Plan (ESOP-2004)

The Company instituted the Employee Stock Option Plan (ESOP-2004) to grant equity based incentives to all its eligible employees. The ESOP 2004, as finally approved by the shareholders on September 19, 2005 provides for grant of 4,057 thousand options to employees of the Company by the ESOP Committee at an exercise price of Rs. 4/- each, representing one share for each option upon exercise. The maximum tenure of these options granted is 7 years from the date of grant. The details as per the requirements of SEBI (ESOS & ESPS) Guidelines, 1999 are annexed and form part of this Report.

The Company

During the year under review, the Company progressed further in its journey to exploring areas beyond news and becoming a media conglomerate.

During the year, the Company and its subsidiaries launched 5 more channels ranging from the first in a series of City specific channels to a Hindi General Entertainment channel and a channel in the niche segment of Lifestyle, Travel, Wellness and Living.

The Company also consolidated its position with a strategic long term partnership with NBC Universal, Inc. (NBCU) for which a Memorandum of Agreement ("MoA") was signed with NBCU in January 2008. The details of the "MoA" have already been shared with you as part of the Postal Ballot exercise recently concluded by the Company.

While the Company has taken initiatives to grow in areas beyond news, it has firmly held on to its strong position in the news segment, based on the highest editorial ethics and credibility that the NDTV brand is known for. The English news channel NDTV 24x7, while continuing to hold its market share, has also delivered revenue growth. The Hindi news channel NDTV India remains the only Hindi News channel which has maintained the highest editorial standards and has not gone the tabloid way in its reporting. The channel won the Best Hindi News channel Award for the year 2007. The viewership of NDTV Profit, the Business news channel, has increased during the year and it has further consolidated its position as one of the most widely watched channels in the business news segment.

The Company has taken significant steps during the year that consolidate its position in the news as well as non news areas and expanding its presence on the global media map by launch of channels like NDTV Arabia, which cater exclusively to the Indian Diaspora based in the Middle Eastern countries and another channel in Malaysia in partnership with Astro Awani Networks.

Subsidiary Companies and Growth

The Company had, during the previous financial year set up legal entities in the Netherlands, UK and India. During the year, these Legal entities launched their respective businesses.

NDTV Networks Plc successfully raised US $ 100 Million by issue of Convertible bonds through a private placement. The subsidiaries of the Company also commenced the respective businesses for which the same were set up.

During the year, NDTV Imagine, a new Hindi general entertainment channel from NDTV Imagine Limited was successfully launched on 21st January, 2008. The channel offers variety of programming across genres ranging from light-hearted family soaps to period dramas and from music-based shows to the most glamorous events of the industry. The channel gained the third position in the space of Hindi General Entertainment Channels (GEC's), within weeks of its launch and has continued to consolidate its position in the genre. The channel has continued to launch new programming, regularly adding to the variety of the programming being offered to viewers and within a few months since launch already has a few popular shows to its credit like Ramayan. NDTV Imagine Limited has also penetrated other genres in Entertainment space and has set up subsidiaries to launch a World Cinema Channel, a Bollywood Channel and Motion picture production.

NDTV Lifestyle Limited successfully launched a channel "NDTV GoodTimes" on September 7th, 2007 dedicated to travel, food, fashion, shopping and health & wellness, both in India and abroad. The channel targets a largely cosmopolitan, socially upbeat audience who lives in style and enjoys every moment of life. NDTV Lifestyle Limited has come together with the Kingfisher Brand in a first-of-its-kind media alliance for the promotion of NDTV Good Times. The channel has attained the first position in the lifestyle genre and has viewership in excess of established channels in the genre.

During the year, the Company launched “NDTV Metronation Delhi”, India’s first English city channel that caters to viewers in Delhi and NCR on September 25, 2007. The channel offers four broad genres of programming i.e. News and Current Affairs, Lifestyle, Entertainment and Youth. The Company proposes to lauch similar channels to cater to the audience in the cities of Metros like Mumbai, Chennai, Bangalore and Kolkatta and has entered into a Joint Venture with M/s. Kasturi & Sons Limited, publishers of the Hindu newspaper and has formed a Company called Metronation Chennai Television Private Limited, for the launch of NDTV Metronation Chennai channel.

The Company also launched “NDTV Arabia” on October 30, 2007 for the viewers in the middle east region. The channel aims to cater to growing interest in Indian current affairs and economy among a large population of Indian and South Asian origin in West Asia and Africa.

NDTV Convergence has made considerable progress in converging the web and broadcast presence of NDTV. NDTV.com has been relaunched during the year and has strengthened its presence in other media areas like streaming and Podcasting. The VAS business of the Company related to the short code 56388 has been consolidated further with tie ups with all the leading telecom service providers. The Company has also launched a wap site NDTV Active, which extends the presence of NDTV on the fast expanding wap platform. The Company has also launched the wap avatar of ndtvcricket.com. NDTV Convergence has also been involved with and has successfully launched the sites for NDTV Imagine and NDTV GoodTimes channels.

NDTV Labs also initiated steps to mark its presence in the television broadcasting technology products and services provider segment. The Company has set up a separate division to market its nX series of software and services related to the same and aims to consolidate the services business going forward. The Company has also plans to enter into segments like Retail Television and Electronic Signages and Training related to television Broadcast operations.

NDTV Emerging Markets BV a 50:50 Joint venture between the Company and NDTV Networks Plc, is all set to capitalise NDTV’s expertise in launching television news/ infotainment channels by launch of channels internationally. The Company will ultimately operate and manage the channel NDTV Arabia, targeted at the Middle East viewers.

NGEN Media Services Private Limited, the Media Process Outsourcing Joint venture of NDTV Networks Plc and Genpact, has commenced operations in the areas of post production services and digital asset management. The Company is pitching for the Digital Asset management business of leading Global media Companies.

The Ministry of Corporate Affairs, Government of India, vide its letter No. 47/350/2008-CL-III, dated 30th May, 2008 has granted approval under Section 212(8) of the Companies Act, 1956 for the financial year ended on 31.03.2008 whereby the Balance Sheet, Profit & Loss Account, Director's Report and Auditor's Report of the subsidiaries and other documents required to be attached under Section 212 of the said Act, are not required to be attached to the Company's Accounts. Hence, the same are not being attached. However, the annual accounts of the subsidiary companies and the related detailed information will be made available to the members of the holding and subsidiary companies seeking such information at any point of time. The Annual Accounts of the subsidiary companies will also be kept open for inspection by any investor in its Registered Office and that of the subsidiary companies concerned.

Agreements

During the year, your Company has entered into Agreement with Sun Direct TV Private Limited for distribution of its Channels on DTH Platform.

The Company/ Group Companies have also entered into arrangement with Tata Sky for the availability of the channels NDTV Imagine and NDTV GoodTimes. Both these channels are available on the Tata Sky Platform. NDTV GoodTimes has also made available an “Active Cooking” Application.

NDTV Imagine Limited has also tied-up with BskyB platform for availability of NDTV Imagine Channel for the UK viewers.

The Company has also entered into an agreement with Singnet for availability of its channels on IPTV and Mobile Platforms in Singapore.

Directors

In accordance with the provisions of the Articles of Association of the Company, Mr. Vijaya Bhaskar Menon and Ms. Indrani Roy, Directors, are liable to retire by rotation, at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The tenure of Dr. Prannoy Roy, Chairman and Whole-time Director of the Company is coming to an end on September 07, 2008. The Board, on recommendations of the Remuneration Committee, has approved the re-appointment of Dr. Prannoy Roy as Chairman and Whole-time Director of the Company for a further period of five years with effect from September 08, 2008.

Further, the term of appointment of Mr. K V L Narayan Rao, Whole-time Director expired on June 10, 2008. The Board, on recommendation of the Remuneration Committee, has approved the re-appointment of Mr. K V L Narayan Rao as Whole-time Director of the Company for a further period of five years with effect from June 11, 2008.

The Board, on the recommendation of Remuneration Committee, has also revised the remuneration of Mrs. Radhika Roy, Managing Director, with effect from October 1, 2007, for the remaining period of her appointment i.e. June 30, 2009.

Director's Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts for the financial year ended March 31, 2008 the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the accounts for the financial year ended March 31, 2008 on a 'going concern' basis.

Auditors

The Auditors of the Company, M/s. Price Waterhouse, Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment. They have confirmed that their re-appointment as Auditors of the Company, if made, would be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956.

With reference to point no. 4 of the Auditors Report to the members, the Directors state that the Company is in the process of filing the requisite applications with the Central Government for taking its approval in respect of the managerial remuneration of the Directors. The matter of grant of Employees Stock Options to one of the Directors is part of the Agenda for approval of the members at the Annual General Meeting.

The observations of the Auditors in their report read together with the Notes on Accounts are self explanatory and therefore, in the opinion of Directors, do not call for any further explanation.

Conservation of Energy, Technology Absorption And Foreign Exchange Earnings and Outgo

Pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988, the following information is provided:

A. Conservation of Energy

Your Company is not an energy intensive unit, however regular efforts are made to conserve energy.

B. Research and Development

The Company continuously makes efforts towards research and developmental activities whereby it can improve the quality and productivity of its programmes.

C. Foreign Exchange Earnings and Outgo

During the year, the Company had Foreign Exchange earnings of Rs. 83.13 Million (Previous Year Rs. 78.39 Million). The Foreign Exchange outgo on Subscription, Uplinking and News Service charges, Traveling, Consultancy, Software Expenses, Website expenses, Repairs and Maintenance and other expenses amounted to Rs. 173.47 Million (Previous Year Rs. 160.72 Million). Outgo on account of capital goods and others was Rs. 236.94 Million (Previous Year Rs.179.20 Million).

Personnel

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the Employees are set out in the annexure forming part of this report.

The Director's Report is being sent to all the shareholders excluding this annexure. Any shareholder interested in obtaining the copy of this annexure may write to the Company Secretary at the registered office of the Company.

Acknowledgments

Your Directors express their grateful thanks and appreciation for the assistance and cooperation received from the Investors, Shareholders, Banks and Business Associates during the year under review. Your Directors also wish to place on record their appreciation for the excellent performance and contribution of the Employees to the Company's progress during the year under review.

For and on behalf of the Board

Place : New Delhi
Date : April 16, 2008

Dr. Prannoy Roy
Chairman

EMPLOYEE STOCK OPTION PLAN (NDTV ESOP-2004)

The Company instituted the Employee Stock Option Plan - ESOP 2004 to grant equity-based incentives to all its eligible employees. The ESOP 2004, finally approved by the shareholders on September 19, 2005 provides for grant of 4,057 thousand options to employees of the Company by the ESOP Committee at an exercise price of Rs. 4 each, representing one share for each option upon exercise. The maximum tenure of these options granted is 7 years from the date of grant.

Disclosures in compliance with Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, are set below:

	Particulars	**Details**	
1a.	Total number of Options granted under the Plan (No.)	4,056,520	
1b.	Options granted during the year (No.)	157,500	
2.	The pricing formula	Exercise price - Rs. 4/- per share	
3.	Options vested (as of March 31, 2008) (No.)	1,864,695	
4a.	Options exercised during the year (No.)	124,460	
4b.	Options exercised (as of March 31, 2008) (No.)	1,778,835	
5.	Total number of shares arising as a result of exercise of Options during the year (No.)	124,460	
6a.	Options lapsed/forfeited during the year* (No.)	47,270	
6b.	Options lapsed/forfeited* (as of March 31, 2008) (No.)	244,745	
7.	Variation of terms of options	The Company has carried out accelerated vesting for certain employees during the year	
8.	Money realized by exercise of Options during the year (Rs.)	497,840	
9.	Total number of Options in force (as of March 31, 2008) (No.)	2,032,940	
10.	Employee wise details of Options Granted to		
	(a) Senior Management Personnel	During the year under review 157,500 Options were granted to the senior management personnel of the Company, as detailed hereunder:	
		Director / Employee(s) Name	**Options granted during the year (No.)**
		K V L Narayan Rao	100,000
		I.P. Bajpai	20,000
		Vikramaditya Chandra	18,750
		Sonia Singh	18,750
		Total	**157,500**
	(b) Any other employee who receives a grant in any one year of Option amounting to 5% or more of Option granted during that year.	No employee is in receipt of the grant in any one year of Option amounting to 5% or more of Option granted during the year, except the following:	

	Particulars	Details		
		Director / Employee(s) Name		**Options granted during the year (No.)**
		K V L Narayan Rao		100,000
		I.P. Bajpai		20,000
		Vikramaditya Chandra		18,750
		Sonia Singh		18,750
		Total		**157,500**
	(c) Identified employees who were granted Options, during one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	There is no employee who has been granted during one year, equal to or exceeding 1% of the issued Capital.		
11.	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	Rs. 0.66		
12.	Where the Company has calculated the Employee Compensation cost using the intrinsic value of Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of Options. The impact of this difference on profits and on EPS of the Company.	The Company has used intrinsic value method for calculating the Employee Compensation Cost with respect to the Stock Options. If the Employee Compensation Cost for the ESOP had been determined in a manner consistent with the Fair Value approach, the Stock Option Compensation Expenses would have been higher by Rs. 0.40 Million. Consequently the profit would have been Rs. 42.40 Million instead of the Current Profit of Rs. 42.80 Million and the Basic & Diluted EPS of the Company would have been Rs. 0.68 and Rs. 0.66 respectively instead of Rs. 0.68 and Rs. 0.66 respectively.		
13.	Weighted average exercise prices and Weighted average fair value of Options for options whose exercise price either equals or exceeds or is less than the market price of the stock	**Grant Date**	**Exercise Price**	**Weighted average fair value of options as at the grant date (Rs.)**
		June 30, 2005	Rs. 4	209.66
		Sept 19, 2005	Rs. 4	232.13
		Dec 1, 2005	Rs. 4	176.42
		April 20, 2006	Rs. 4	250.63
		April 20, 2006	Rs. 4	252.35
		July 1, 2006	Rs. 4	167.14
		Aug 1, 2006	Rs. 4	150.08
		Oct 17, 2007	Rs. 4	352.21
		Oct 17, 2007	Rs. 4	349.79

	Particulars	Details		
14.	Description of the method and significant assumptions used during the year to estimate the fair value of Options, including the following weighted average information:	**Grant Date**	**Oct 17, 2007**	**Oct 17, 2007**
	Risk Free interest rate	Risk Free interest rate (%)	7.81	7.76 to 7.78
	Expected life	Expected Life	4 Years	7 Years
	Expected volatility	Expected Volatility (%)	55.88	51.22 to 52.57
	Expected Dividends	Expected Dividend	0.34%	0.34%
	The price of the underlying share in market at the time of option grant	The price of the underlying share in market at the time of option grant	376.10	376.10

The Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and the resolution passed at the Extra - ordinary General Meeting held on January 29, 2004 and resolution(s) passed at the Annual General Meeting(s) held on September 22, 2004 and September 19, 2005.

* As per the Plan, Options lapse only on termination of the Plan. If an Option expires or becomes unexercisable without having been exercised in full, the unpurchased shares, which were subject thereto, shall become available for future grant or sale under the Plan (unless the Plan has been terminated).

Corporate Governance

Auditors’ Certificate regarding compliance of conditions of Corporate Governance

To the Members of
New Delhi Television Limited

We have examined the compliance of conditions of Corporate Governance by New Delhi Television Limited, for the year ended 31st March, 2008, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with Stock Exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Kaushik Dutta
Partner
Membership Number: F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Dated : April 16, 2008

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

The Company strongly believes that good Corporate Governance is a pre-requisite for enhancing shareholders long-term value and considers it to be an internally driven need that does not merely need to be enforced externally. The Company is committed to the principles and features of good Corporate Governance and has consistently followed high standards of Corporate Governance in all its activities and processes.

Board of Directors

The present strength of the Board is seven, comprising three executive Directors including the Chairman and four non-executive independent Directors. The Board of Directors of the Company has a sound mix of executive and independent Directors to maintain the independence of the Board and to separate the Board function of governance and management. The Board meets at least four times in a year at quarterly intervals and more frequently, if deemed necessary. All the four independent Directors are eminent professionals having experience in business, finance and other key functional areas.

The Composition of the Board and the number of directorships, memberships of committees in other companies as on March 31, 2008, are given below:

Name of the Director	Position	Directorships held as on March 31, 2008*	Committee membership in all Companies***	Chairmanship in Committees where they are Members***
Dr. Prannoy Roy	Chairman and Whole-time Director (Promoter)**	12	1	–
Mrs. Radhika Roy	Managing Director (Promoter)**	11	1	–
Mr. K V L Narayan Rao	CEO and Whole-time Director	10	2	–
Mr. Amal Ganguli	Non-Executive Independent Director	14	10	5
Mr. N R Narayana Murthy	Non-Executive Independent Director	5	–	–
Ms. Indrani Roy	Non-Executive Independent Director	4	2	1
Mr. Vijaya Bhaskar Menon	Non-Executive Independent Director	5	1	–

* Includes all directorships

** Mrs. Radhika Roy, Managing Director of the Company is the wife of Dr. Prannoy Roy, Chairman of the Company.

***In computation of the number of committees, the committees other than the Audit Committee and the Shareholder's and Investors Grievance Committee have not been taken into account.

Meetings & Attendance

The Board met 4 times during the financial year under review on May 22, 2007, July 17, 2007, October 17, 2007 and January 17, 2008. The maximum interval between any two Board Meetings was 3 months.

The presence of Directors at the Board meetings and last AGM was as follows:

Name of the Director	Board Meetings held during the year	Board meetings attended	Whether attended last AGM
Dr. Prannoy Roy	4	4	Yes
Mrs. Radhika Roy	4	4	Yes
Mr. K V L Narayan Rao	4	4	Yes
Mr. Amal Ganguli	4	4	Yes
Mr. N R Narayana Murthy	4	1	No
Ms. Indrani Roy	4	4	Yes
Mr. Vijaya Bhaskar Menon	4	4	Yes

None of the directors is a member of more than 10 committees or acts as the Chairman of more than five committees in all companies in which they are directors.

The Directorship/committee Membership is based on the disclosures received from Directors.

Audit Committee

The primary responsibility of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process, to review the quality and reliability of the information used by the Board. The Audit Committee also focuses on the adequacy and appropriateness of the internal controls of the Company. The functions of the Audit Committee include the following:

- Oversight of the Company's financial reporting process
- Recommending to the Board, the appointment, re-appointment or removal of the statutory auditors and their remuneration.
- Reviewing, with the management, the quarterly and annual financial statements before submission to the Board for approval.
- Considering and approving changes, if any, in accounting policies and practices.
- Overseeing compliance with listing and other legal requirements relating to financial statements.
- Reviewing the adequacy of the internal audit function and its operation.
- Reviewing the findings of any internal investigations by the internal auditors.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Review of Management Discussion and Analysis of financial condition and results of operations.
- Review of statement of significant related party transactions, submitted by management.

The terms of reference stipulated by the Board to the Audit Committee are as per Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms formulated by the Board.

The Audit Committee of the Company is made up of the following directors:

Name of the Director	Category	Position
Mr. Amal Ganguli	Independent Director	Chairman
Mr. Vijaya Bhaskar Menon	Independent Director	Member
Ms. Indrani Roy	Independent Director	Member
Mr. KVL Narayan Rao	CEO and Whole-time Director	Member

Mr. Rajiv Mathur, Company Secretary is the Secretary to the Committee.

Four Meetings of the Audit Committee of the Company were held during the year on May 22, 2007, July 16, 2007, October 16, 2007 and January 16, 2008.

The attendance of Committee Members at the Audit Committee meetings were as follows:

Name of the Director	No. of Committee meetings attended
Mr. Amal Ganguli	4
Mr. Vijaya Bhaskar Menon	4
Mr. K V L Narayan Rao	4
Ms. Indrani Roy	4

CEO/CFO Certification

The Company is fully cognizant of the need to maintain adequate internal control to protect its assets and interests and for integrity and fairness in financial reporting and is committed to laying down and enforcing such controls. Towards this the CEO and the CFO have certified to the Board by placing a certificate on the internal control related to the financial reporting process during the year ended 31st March, 2008.

Remuneration Committee

The Remuneration Committee of the Company reviews, recommends and approves the matters connected with fixation and periodic revision of the remuneration payable to the Chairman, Managing Director and Whole time Directors.

The Remuneration Committee is made up of the following Directors as on the 31st March, 2008:

Name of the Director	Category	Position
Mr. Vijaya Bhaskar Menon	Independent Director	Chairman
Mr. Amal Ganguli	Independent Director	Member
Ms. Indrani Roy	Independent Director	Member

Mrs. Radhika Roy and Mr. K V L Narayan Rao, ceased to be members of the Remuneration Committee with effect from January 17, 2008. Mr. Rajiv Mathur, Company Secretary acts as Secretary to the Committee.

During the year under review, one meeting of the Committee was held on October 16, 2007 and was attended by all the members at that time, except Mr. K V L Narayan Rao.

Remuneration Policy

The Remuneration Policy of the Company is aimed at rewarding performance, based on review of achievements on a regular basis and is in consonance with the existing industry practice.

The remuneration paid to Executive Directors during the year is as follows:

(Amount in Rs.)

Name of the Director	Salary	Perquisites	Cost attributable to ESOP	Total
Dr. Prannoy Roy	41,70,096	27,54,147	–	69,24,243
Mrs. Radhika Roy	41,70,096	27,54,147	–	69,24,243
Mr. K V L Narayan Rao	36,90,192	30,50,853	1,11,79,799	1,79,20,844

Salary includes allowances, perquisites and contribution towards provident fund.

Non-Executive Directors are paid sitting fees for attending meetings of the Board and any Committee thereof. The details of the sitting fees paid to the non-executive Directors during the year, is as under:

(Amount in Rs.)

Name of the Director	Sitting Fee
Mr. N R Narayana Murthy	20,000
Mr. Amal Ganguli	1,80,000
Ms. Indrani Roy	1,80,000
Mr. Vijaya Bhaskar Menon	1,80,000

In view of the duties and responsibilities undertaken by them in accordance with the provisions of law and the operating needs of the Company and as approved by the shareholders, the Company made an application to the Central Government for payment of remuneration to the non-executive Directors for the year ended 31st March, 2007, for a sum of Rs. 25.00 Lacs as per details below. The application was approved by the Central Government on 25th October, 2007. Accordingly, Independent Directors were paid remuneration as shown below:

(Amount in Rs.)

1. Mr. N R Narayana Murthy : 625,000
2. Mr. Amal Ganguli : 937,500
3. Ms. Indrani Roy : 312,500
4. Mr. Vijaya Bhaskar Menon : 625,000

Equity Shares of the Company held by the Non-Executive Directors as on 31st March, 2008 are as follows:-

Name of the Director	Category	Number of shares held
Mr. N R Narayana Murthy	Non-Executive Independent Director	Nil
Mr. Amal Ganguli	Non-Executive Independent Director	Nil
Ms. Indrani Roy	Non-Executive Independent Director	Nil
Mr. Vijaya Bhaskar Menon	Non-Executive Independent Director	Nil

Stock Options to Mr. K V L Narayan Rao

During the financial year ended 31st March, 2008, the Board of Directors on October 17, 2007 had granted 1,00,000 Stock Options to Mr. K V L Narayan Rao, CEO and Whole-time Director of the Company. The same is subject to the approval of the shareholders and Central Government.

Shareholders and Investors Grievance Committee

The Shareholders and Investors Grievance Committee comprised of the following Directors as on the 31st March, 2008:

Name of the Director	Category	Position
Ms. Indrani Roy	Independent Director	Chairperson
Dr. Prannoy Roy	Chairman & Whole-time Director	Member
Mrs. Radhika Roy	Managing Director	Member
Mr. K V L Narayan Rao	CEO and Whole-time Director	Member

Mr. Rajiv Mathur, Company Secretary is the Secretary to the Committee.

Investor servicing is a priority for the Company. The Shareholders and Investors Grievance Committee ensures that there is timely and satisfactory redressal of all investor queries. The Committee approves, oversees and reviews all matters connected with share transfers, rematerialisation, transposition of securities, redresses shareholder's grievances like transfer of shares, non- receipt of balance sheet, non receipt of declared dividend and all such acts, things or deeds incidental thereto. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor's service.

During the year 11 meetings of the Shareholders and Investors' Grievance Committee were held.

The number of shareholders complaints received during the financial year ended 31st March, 2008 were 35 and all the complaints were resolved to the satisfaction of the shareholders. There were no pending complaints as on March 31, 2008.

Code of Conduct

The Company in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, has formulated a Code of Conduct for prevention of Insider Trading. The Code lays down guidelines, which advise on procedures to be followed and disclosures to be made while dealing with shares of the Company and indicate the consequences of non-compliance.

The Company has also laid down a Code of Conduct for Board Members and Senior Management personnel. The Company is committed to conducting its business in accordance with applicable laws, rules and regulations, and the highest standards of business ethics, and to full and accurate disclosure in compliance with applicable laws, rules & regulations. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct for the current year. The code of conduct is also displayed on the website of the Company www.ndtv.com.

Declaration regarding compliance with the Code of Conduct of the Company by Board Members and Senior Management Personnel:-

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Conduct of the Company in respect of the financial year 2007-08.

Place : New Delhi
Date : April 16, 2008

K V L Narayan Rao
CEO and Whole-time Director

General Body Meetings

The Annual General Meeting (AGM) is the principal forum for interaction between the Management and the shareholders. The Annual General Meetings are held at Delhi where the registered office of the Company is situated. The Company ensures that the Notice of the AGM, along with the Annual Report of the Company is dispatched to the shareholders well in time to enable them to participate in the meeting.

The Company generally holds its Annual General Meeting in the month of July every year. The location, date and time of the Annual General Meetings of the Company held during the last three years are given below:

Year	Date	Time	Venue
2004-05	September 19, 2005	11:30 A.M	Air Force Auditorium, Subroto Park, New Delhi
2005-06	July 18, 2006	3:30 P.M.	Air Force Auditorium, Subroto Park, New Delhi
2006-07	July 17, 2007	3:30 P.M.	Air Force Auditorium, Subroto Park, New Delhi

13 special resolutions were passed by a show of hands by the shareholders present at the last three Annual General Meetings. The Chairman of the Audit Committee was present at all the above AGMs.

No Special Resolution was put through postal ballot at the last Annual General Meeting. The Company passed one ordinary resolution by postal ballot on 24th March, 2008 pertaining to approval of the Memorandum of Agreement ("MoA") entered on January 22, 2008 amongst the Company, Universal Studios International B.V., NBC Universal Inc. and NDTV Networks BV. and the transaction envisaged in the Memorandum of Agreement .

Mr. V.P. Kapoor, practising Company Secretary was Scrutinizer for conducting the postal ballot in accordance with the procedure prescribed by the Companies Act, 1956. The details of the voting pattern of the postal ballot as reported by the Scrutinizer are as follows:

Result of the postal ballot are as follows:

			Total No.	No. of Shares and Amount in Rs.	%
1.	Total ballot forms received		437		
2.	Less : Invalid ballot forms		56		
3.	Total valid ballot forms received		**381**		
4.	(i)	Total valid ballots cast with assent & no. of shares.	380	34,261,245	99.99%
	(ii)	Total valid ballots cast with dissent & no. of Shares.	1	100	0.01%
5.	(i)	Value of votes cast in favour of the resolution		Rs. 137,044,980	99.99%
	(ii)	Value of votes cast against the resolution		Rs. 400	0.01%

Disclosures

(a) Related Party Transactions

The Company has not entered into any transaction of a material nature with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company.

(b) Compliances by the Company

The Company is in compliance with the various requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to the capital market. During the year 2007-08, no penalties/ strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital market.

(c) Non-Mandatory requirements

The Clause states that the Non- Mandatory requirements may be implemented as per the discretion of the Company. However the Company has adopted the Non Mandatory requirement as regards the provisions relating to Remuneration Committee.

Means of Communication

(a) The quarterly results of the Company are published in Financial Express/Business Standard (English dailies) and in Jansatta/Hindustan (Hindi dailies) and are also available on the Company's website www.ndtv.com.

(b) As required by Clause 51 of the Listing Agreement, all the data relating to quarterly financial results, shareholding patterns etc. are electronically filed on the EDIFAR within the time frame prescribed in this regard.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting (AGM)

The 20th Annual General Meeting of the Company will be held on -

Day, Date and Time : Monday, the 22nd day of September, 2008 at 11:30 A.M.
Venue : Siri Fort Auditorium, August Kranti Marg, New Delhi - 110 049.

Financial Calendar

The next Financial year of the Company is April 1, 2008 to March 31, 2009.

The quarterly results will be adopted by the Board of Directors in accordance with the following schedule:

For the Quarter ending	Time period
June 30, 2008	4th week of July 2008.
September 30, 2008 (results for the quarter as well as Half year)	2nd week of October 2008.
December 31, 2008	4th week of January 2009.
March 31, 2009 (year ending)	4th week of April 2009.

Book Closure

The book closure period is from September 16, 2008 to September 22, 2008 (both days inclusive).

Dividend Payment Date

On or about October 20, 2008

Listing on Stock Exchanges and the Stock Code allotted:

The Equity Shares of the Company are listed on the following Stock Exchanges:

(a) Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai-400001.

(b) National Stock Exchange of India Limited (NSE)
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai-400051.

The Stock Codes allotted by these Stock Exchanges are as follows:

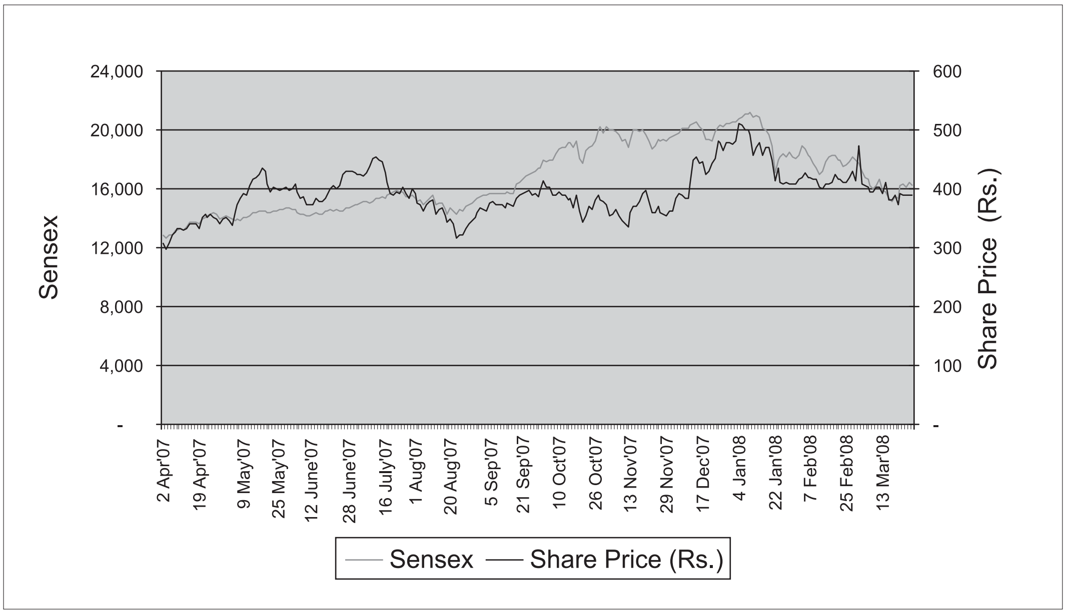
Name	Code
Bombay Stock Exchange Limited	532529
National Stock Exchange of India Limited	NDTV EQ
De-mat ISIN Numbers in NSDL and CDSL	INE155GO 1029

The listing fees for the financial year 2008-2009 has been paid to Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company has also paid annual custodian fee for the year 2008-09 to NSDL & CDSL.

Market Price Data (Face value of Rs. 4/- per share)

Month	Bombay Stock Exchange Limited (In Rs. per share)		National Stock Exchange of India Limited (In Rs. per share)	
	High	Low	High	Low
April 2007	357.50	281.10	358.80	281.50
May 2007	436.00	331.15	436.00	332.00
June 2007	429.70	360.20	429.50	361.05
July 2007	453.65	363.50	459.70	363.00
August 2007	391.95	287.50	389.55	287.15
September 2007	397.00	352.00	398.00	341.05
October 2007	414.90	320.00	416.00	319.00
November 2007	398.85	325.00	398.00	310.15
December 2007	482.00	351.00	481.70	325.25
January 2008	511.75	325.00	512.70	325.05
February 2008	474.00	386.30	428.00	387.00
March 2008	410.00	340.00	447.00	335.00

Performance in comparison to BSE Sensex



Shareholding Pattern

The shareholding pattern of the Company as on March 31, 2008 is as under:

Category code	Category of shareholder	Number of share-holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(A)	**Shareholding of Promoter and Promoter Group**					
(I)	**Indian**					
(a)	Individuals/Hindu Undivided Family	3	38,142,450	38,142,450	60.95	60.95
(b)	Central Government / State Government(s)	–	–	–	–	–
(c)	Bodies Corporate	–	–	–	–	–
(d)	Financial Institutions / Banks	–	–	–	–	–
(e)	Any Other	–	–	–	–	–
	Sub-Total (A)(1)	**3**	**38,142,450**	**38,142,450**	**60.95**	**60.95**
(II)	**Foreign**					
(a)	Individuals (Non-Resident individuals / Foreign Individuals)	–	–	–	–	–
(b)	Bodies Corporate	–	–	–	–	–
(c)	Institutions	–	–	–	–	–
(d)	Any Other (specify)	–	–	–	–	–
	Sub-Total (A)(2)	**–**	**–**	**–**	**–**	**–**

Category code	Category of shareholder	Number of share-holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	**3**	**38,142,450**	**38,142,450**	**60.95**	**60.95**
(B)	**Public shareholding**					
(I)	**Institutions**					
(a)	Mutual Funds/UTI	47	13,700,573	13,700,573	21.89	21.89
(b)	Financial Institutions / Banks	2	16,400	16,400	0.03	0.03
(c)	Central Government / State Government(s)	–	–	–	–	–
(d)	Venture Capital Funds	–	–	–	–	–
(e)	Insurance Companies	1	151,697	151,697	0.24	0.24
(f)	Foreign Institutional Investors	4	1,174,232	1,174,232	1.88	1.88
(g)	Foreign Venture Capital Investors	–	–	–	–	–
(h)	Any Other	–	–	–	–	–
	Sub-Total (B)(1)	**54**	**15,042,902**	**15,042,902**	**24.04**	**24.04**
(II)	**Non-institutions**					
(a)	Bodies Corporate	639	4,456,929	4,456,929	7.12	7.12
(b)	Individuals					
	I. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	18,137	3,895,882	3,867,148	6.23	6.23
	II. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	19	1,021,097	1,021,097	1.63	1.63
(c)	Any Other					
	(i) Non resident Indians	–	–	–	–	–
	(ii) Trusts	7	5,742	5,742	0.01	0.01
	(iii) Foreign Nationals	–	–	–	–	–
	(iv) Clearing Members	59	16,465	16,465	0.03	0.03
	Sub-Total (B)(2)	**18,861**	**9,396,115**	**9,367,381**	**15.01**	**15.01**
	Total Public Shareholding (B) = (B)(1) + (B)(2)	**18,915**	**24,439,017**	**24,410,283**	**39.05**	**39.05**
	TOTAL (A)+(B)	**18,918**	**62,581,467**	**62,552,733**	**100.00**	**100.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued (C)**	**–**	**–**	**–**	**–**	**–**
	GRAND TOTAL (A+B+C)	**18,918**	**62,581,467**	**62,552,733**	**100.00**	**100.00**

Distribution of Shareholding, as on 31st March, 2008 is as under:

Category	Share Holders		Face value of Rs. 4/- per share	
	Numbers	%	Amount (Rs.)	%
1 - 5000	18,186	96.13	6,774,392	2.70
5001 - 10000	258	1.36	1,890,264	0.76
10001 - 20000	194	1.03	2,916,660	1.17
20001 - 30000	96	0.51	2,391,688	0.96
30001 - 40000	34	0.18	1,183,172	0.47
40001 - 50000	20	0.10	907,044	0.36
50001 - 100000	35	0.18	2,357,416	0.94
100001 & Above	95	0.51	231,905,232	92.64
Total	**18,918**	**100.00**	**250,325,868**	**100.00**

Dematerialization of Share and Liquidity

As on March 31, 2008 only 28,734 shares constituting 0.05 % of the total equity capital are in physical form.

The shares of New Delhi Television Limited are actively traded on Stock Exchanges.

Employee Stock Option Plan–ESOP 2004

The Company had instituted the Employee Stock Option Plan - ESOP 2004 to grant equity-based incentives to all its eligible employees. The ESOP 2004 as finally approved by the shareholders on September 19, 2005 provides for grant of 4057 thousand options to employees of the Company by the ESOP Committee at an exercise price of Rs. 4/- each, representing one share for each option upon exercise. The maximum tenure of these options granted is 7 years from the date of grant.

Registrar and Share Transfer Agent

Registrar and Share Transfer Agent of the Company is:

Karvy Computershare Private Limited
Unit: NDTV Limited
Plot No. 17-24 Vittalrao Nagar
Madhapur
Hyderabad-500 081.
TEL : 040-23420815 to 23420820
FAX : 040-23420814
E Mail : mailmanager@karvy.com

Share Transfer System

Requests for share transfers, rematerialisation and transposition are approved by Shareholders and Investors Grievance Committee. The Share Certificate is returned/ issued within the time period as stipulated under The Companies Act, 1956, The Depositories Act, 1996, Listing Agreement and other applicable rules and regulations.

The Company has not issued any GDRs /ADRs /Warrants or any Convertible instruments.

Addresses for Correspondence

Plant Locations:

The Company does not any manufacturing or processing plants.

Investor's Correspondence:

For transfer of shares in physical form and rematerialisation:

Karvy Computershare Private Limited
Unit: NDTV Limited
Plot No. 17-24 Vittalrao Nagar
Madhapur
Hyderabad-500 081.
Phone : 040-23420815 to 23420820
Fax : 040-23420814
E-mail : mailmanager@karvy.com

For securities held in demat form:

To the respective depository participant.

Any query on Annual Report:

The Company Secretary
New Delhi Television Limited
Registered Office :-
207, Okhla Industrial Estate, Phase III
New Delhi-110020.
Phone : 011-41577777
Fax : 011-41735110
E-mail : rajiv@ndtv.com

For and on behalf of the Board

Place: New Delhi
Date : April 16, 2008

Dr. Prannoy Roy
Chairman

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

A successful transformation for India and for NDTV: We are happy to report that this year NDTV has seen a successful transformation: from a pure 'news company' to a 'total media organization' incorporating entertainment, lifestyle, Internet, technology, outsourcing and international expansion. We see this transformation merely as a natural concomitant of the transformation that the Indian economy is going through. India has transformed itself from a slow lumbering economy growing at 3% to one of the fastest growing economies in the world today - where 9% and more is achievable. The transformation of India has helped, in fact been the stimulus for the transformation of NDTV.

News, in India and abroad:

Our core news business continues to show robust growth and many opportunities for expansion lie ahead.

We are the clear leaders in the English news segment with the domination of NDTV 24x7 and MetroNation (Delhi) in viewership and in impact on the opinion makers of this country. In this year of elections we expect this domination to strengthen, as the nation tends to tune in to NDTV for election results and analysis. In a major next step we are soon going to launch a metro channel in Chennai in partnership with one of India's finest newspapers and most credible brands 'The Hindu' - the channel is to be called 'NDTV-Hindu'.

We have successfully launched our channel in Malaysia, which broke exciting new ground in the coverage of the Malaysian general elections this year. The channel is already making a healthy profit.

NDTV India, our Hindi channel has distinguished itself from the declining trend towards 'tabloid news' that all other Hindi channels have headed and NDTV India is clearly the most respected Hindi news channel in India today; we swept the recent News Television Awards winning 13 awards including the "Best Hindi News Channel".

Our Business Channel is gaining strength and credibility and is poised on the threshold of a major improvement: the entire base of NDTV's business news operations is being shifted to Mumbai to ensure our presence in the heart of India's commercial and financial world.

There is little doubt that the major challenge for all serious news channels is the increasing number of news channels being launched, many for spurious reasons. Nevertheless, this is seen as a transitory phenomenon and a period of consolidation is expected shortly.

Major Steps in 'Beyond-News' Transformation:

Our biggest expansion during the year has been in the world of general mass entertainment.

We are very happy that India's finest leader in this field - Sameer Nair - has come on board as the CEO of all our entertainment businesses. Sameer brings his history of experience and unparalleled success to NDTV; he also brings a most impressive and talented team of about 100 experts of the entertainment industry. Sameer and his team have already proven themselves by launching a successful mass entertainment channel as well as other channels too (more details below).

Indian Media: the challenges

NDTV's transformation

Twenty years ago Indian media consisted of a large number of production houses producing programmes for the only, solitary, channel that existed then: Doordarshan. NDTV was one of these production houses - producing 'The

World This Week' on Friday nights - a show that became one of India's most popular shows ever. Soon there was a glut of production houses - some estimates suggest that by the mid-nineties there may have been over 500 production companies. Then, after an intense period of consolidation and elimination, this number dropped to a small fraction of this number: the fittest and most creative survived. NDTV was one - and soon became one of the largest.

The parallels with the 500 channels today are obvious. It seems likely that we will perhaps see another period of consolidation and the fittest channels will survive, just as the fittest production companies did in the earlier round of consolidation. NDTV looks to this next period of consolidation as an opportunity for growth and expansion.

In this process NDTV has prepared the ground for expansion with a successful transformation from a pure news company into a 'total media organization' (see the letter to the shareholders for more details). This is NDTV's second major transformation: earlier the organization shifted from being a pure production house into a production and broadcast company; this time the shift is from news to entertainment, lifestyle and beyond. We see this transformation as both growth and diversity that will create value for the shareholders of NDTV.

During this transformation, we are delighted this year to have entered into a partnership with one of the world's finest media organizations: NBC Universal of the United States (a subsidiary of General Electric). NBCU are our partners in 'NDTV Networks Plc., a special subsidiary that has been created for our key 'Beyond News" businesses. We see this strategic partnership as strongly and mutually beneficial with NBCU making a powerful entry into the Indian market, and NDTV gaining from all the expertise, quality standards and knowledge that NBCU brings in the entertainment genre specifically and, more generally, in the 'beyond news' business.

NBCU has acquired an effective 26% share in NDTV Networks Plc, the holding company for NDTV Group's entertainment and lifestyle channels, convergence, technology services, specific overseas channels and media process outsourcing. The agreement also includes an option for NBCU to increase its stake to become a 50% partner with NDTV in the JV company through which NBCU holds its strategic stake. This option is exercisable by NBCU at fair market value in two year's time.

NDTV: Performance

Increased competition amongst the growing number of news channels has unfortunately resulted in the 'dumbing down' and 'tabloidisation' of news, particularly in the Hindi news channel space. The sharp decline in standards amongst virtually every single Hindi news channel is the sad outcome of the dynamics of the market as channels opt for the short-term goal of increasing eyeballs. So low have these channels fallen that many argue they are no longer news channels but are often called gross news-as-entertainment or sex-and-violence channels.

We are proud to report that NDTV India, our Hindi news channel, stands apart from the rest. We are in many ways the only news channel left in the Hindi space in India. While this distinction has been recognized in terms of the large number of awards and accolades that NDTV India has received, it is our belief that this route, as opposed to the maximizing eyeballs route, is the best revenue-generating model in the longer term. The revenue and profit generating ability of a high quality, high integrity Hindi news channel is accepted as the only way forward as advertisers distinguish genuine news from tabloid-news channels and chose to associate their products with high quality. We at NDTV are most proud of our Hindi news channel: NDTV India. Our new CEO for the Hindi channel, Mr. Sameer Kapoor, brings to it added energy, focus and commitment.

The English news channel, NDTV 24x7 remains India's favorite news channel. NDTV 24x7 is widely considered to be the country's most credible, most watched channel with the highest impact on viewers.

Our business channel, NDTV Profit continues to enjoy a very high viewership and a particularly high degree of credibility among business channels.

We see continued growth and expansion in both these channels despite an increasingly competitive landscape.

In September 2007, NDTV launched NDTV Metronation, India's first English city channel. NDTV Metro Nation gives Delhi and the NCR a high-end 24-hour channel that covers breaking news, and has been successful particularly with younger viewers. Metro Nation has achieved a significant market share in the city where the total advertising market is estimated to be over Rs. 1000 crores. Expanding along similar lines, NDTV has tied up with The Hindu newspaper of Chennai to start a Metro channel for Chennai - called NDTV Hindu - which is due to be launched in late 2008. The new CEO of all these city channels, Rajiv Lulla, has brought to the project great experience, dynamism and a new sense of purpose.

NDTV's transformation this year has been its entry into areas 'beyond news'. NDTV Networks Plc. the holding company for businesses 'beyond news' has six subsidiaries, each one focusing on different genres of media: Hindi mass Entertainment; Internet and Convergence; Lifestyle channels; technology innovation and integration services; Media Process Outsourcing; and establishing city-based news channels in other countries.

Our entertainment channel, NDTV Imagine, launched on 21st January, 2008, had a very successful debut. The success of Imagine was the consequence of fresh and innovative programming like Ramayan, Radhaa Ki Betiyaan Kuch Kar Dikhayengi, Jasuben Jayantilaal Joshi ki Joint Family and Nachle Ve with Saroj Khan. This summer there are two more channel launches: 'Showbiz' (a channel covering entertainment happenings and events) and NDTV Lumiere (Contemporary World Cinema).

NDTV Lifestyle Limited, a specialist 'lifestyle' subsidiary launched India's first composite lifestyle channel called NDTV Good Times in September 2007. The channel is now a steady leader in its genre. NDTV Life will in the future launch other similarly targeted channels in the genres of food, travel, homes and wellness.

NDTV Convergence Limited is the development of the internet space and triple play, extending NDTV.com into mobile telephony and other new media areas. NDTV.com is already one of India's most popular internet news websites and is a leader in the world of mobile internet.

NDTV Emerging Markets B V capitalizes on NDTV's expertise in launching news-plus-lifestyle, city-based channels in other countries. Two channels have already been launched in a joint venture with Astro (Malaysia) in which NDTV is a minority partner. Future plans include adding more city channels in other countries around the world. These channels are aimed at the local population and will be generally in the local language to ensure the widest possible viewership.

NDTV Labs Limited is a subsidiary created to provide advanced technology services and products to the rest of the world. NDTV has won several international awards for its technology. This subsidiary aims at leveraging this expertise in the international and domestic markets.

Media knowledge outsourcing is the business of the sixth subsidiary NGEN Media Services Private Limited - a joint venture between NDTV Networks Plc. and India's largest outsourcing company Genpact Limited (formerly GE Capital International Services). The joint venture offers content creation and other media services to customers worldwide. Though it is an industry in its infancy, a very large market is waiting to open up for the sector.

NDTV: Excellence in Journalism

The Company has won several awards for excellence in journalism. Some of the key awards include the International Transparency Awards for the 'BMW expose'; investigative reporting in 'Death by Mining'; seven Indian Telly Awards including the Best News Channel of the year award for NDTV India; four Asian Television awards, The Commonwealth Broadcasting Association, Journalist Of The Year award and the CNN Young Journalist award.

RISK ASSESSMENT AND STRATEGIES TO MINIMIZE RISK

Technological innovations in media have reduced the costs of launching channels, thereby lowering barriers to entry. Consequently, while the media sector in India is growing at a rapid rate, the large number of new players is leading to increased competition and to a fragmentation of the market. This could have immediate short term effects such as pressure on advertising rates and volumes. However so far despite these pressures, NDTV has managed to maintain a relatively strong growth rate in the news and business channels. In the long run there is widely expected to be a shake out in which the leaders are expected to consolidate their position even further.

In the next 18 months, competition is expected from existing companies like Star, Zee TV, Network 18 group, BCCL and UTV who have announced plans to launch or have already launched entertainment, news and business channels. An additional disturbing trend referred to earlier is the tabloid nature of many news channels which cater to the lowest common denominator through sex and crime shows. It is hoped that this is a transitory phenomenon. Perhaps as advertisers become more discerning they will not want to see their products associated with crime and sex, and this tabloid trend may wither away. NDTV is facing the increased competition head-on by creating a portfolio of channels and business that is aimed at de-risking the impact of competition.

A major impact of competition is that it will lead to a greater demand for talent in the media sector. From journalists to anchors, camera people and producers, there is a need to increase the supply of high quality talent to produce high quality, differentiated content. This need for talent is also felt in business development. With large investments lined up in the industry there's a surge in the demand for talent in areas of operations, distribution, sales and strategy. While there is an expansion in the number of mass media education institutes in the country, it is clear that this is an area which needs even greater focus if demand and supply are to match in the media sector. NDTV is considered to be among the most preferred employers in the industry because of its focus on its people and because of the attractive options and avenues it provides.

The media sector also faces the challenge of a distribution bottleneck. Analog cable systems (which form over 90% of all cable in India) can carry about 80 channels with nearly 500 channels in India competing for these 80 slots. As more and more cable systems turn digital this problem should virtually disappear. However, it is not clear how rapidly digitalization will take place. An encouraging trend is that an increasing number of analog operators are switching to digital because ultimately it is more profitable. The launch of several DTH platforms is another major positive development in the distribution scenario. DTH provides an excellent alternative to viewers and NDTV channels are on all the existing DTH platforms. It is expected that as DTH becomes cheaper and more affordable for viewers, this could see the biggest growth in distribution systems.

The proposed Broadcasting Services Regulation Bill, 2006 has clauses, which are looked upon by the industry as restrictive and curbing freedom of the press. The draft bill allows for government to take over the functioning of any private channel in event of war and natural calamity. The Bill also provides for punishment like revocation of license and fines on those who violate the proposed broadcast guidelines, including the new Content Code under preparation. It provides for the setting up of a Broadcasting Regulatory Authority of India (BRAI), which analysts say, lacks independence and will be constituted from within government civil servants of Additional secretary level and above. Media companies are challenging this Bill and demanding that it should be replaced by self-regulation. A movement that is gaining in strength every day.

The company has recognized the need to reduce its dependence on the business of television news only in India and move into news in other countries as well as the more lucrative and profitable segments like Entertainment and Lifestyle.

The company's business model is further de-risked by its strong presence in non-television businesses. NGEN (Media outsourcing), NDTV Labs (Media technology) and NDTV Convergence all leverage company's extensive expertise in the media space, at the same time as diversifying the business.

In January 2006, the company, in partnership with Astro and Value labs had entered the FM radio space. The 3 RED FM stations in Kolkatta, Delhi and Mumbai have performed well, validating the company's strategy to enter into related but diversified businesses.

On the human resource front, NDTV recognizes the need for creating and preparing the right talent for successful growth. The company has set up a full-fledged training centre with some of the best trainers (including international trainers) to bring the fresh recruits up to NDTV standards. The training center also organizes regular programs to equip the technical staff with the latest practices and advancements in media technology.

NDTV remains committed to investing in technology up-gradation. The company's news acquisition operations have been made completely tape-less using digital chips rather than tapes. Cutting edge technology has been a major strength of NDTV over the years.

Human Resources Challenges

The phenomenal growth of Indian media and entertainment in the last couple of years has led to an enormous demand for talent in the sector.

For a television channel to succeed in the increasingly crowded market, it's imperative to have high quality, differentiated content. From journalists to anchors, camera people and producers, there is a need to increase the supply of high quality talent.

This need for talent is felt not just at the content level, but also in business development. With large investments lined up in the industry there's a surge in the demand for talent in areas of operations, distribution, sales and strategy.

While there is an expansion in the number of mass media education institutes in the country, its is clear that this in an area which needs even greater focus for the demand and supply to match in the media sector.

Internal controls and corporate governance

The CEO / CFO certification provided elsewhere in the report discusses about the adequacy of our internal control systems and procedures.

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

The following discussion is based on the audited financial statements, which have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. Our management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. For further details, see "Financial Statements - Significant Accounting Policies."

Financial Condition

Share Capital

The Company's authorized capital is Rs. 350 million divided into 87.50 million equity shares of Rs 4/- each. At present there is only one class of shares - equity shares. During the year 1,24,460 equity shares issued under "Employee Stock Option Plan - 2004' were exercised. Consequently the issued, subscribed and paid capital of the Company increased by 1,24,460 equity shares. Details of options granted, outstanding and vested are given elsewhere in the report. A statement of movement in the share capital is given below:

	2008		2007	
	Equity Shares (No.)	**Rs. in Million**	**Equity Shares (No.)**	**Rs. in Million**
Balance at the beginning of the year	62,457,007	249.83	60,802,632	243.21
Shares issued upon conversion of option issued under "Employee Stock" Option Plan - 2004	124,460	0.50	1,654,375	6.62
Balance at the end of the fiscal year	**62,581,467**	**250.33**	**62,457,007**	**249.83**

Employee Stock Options Outstanding

During the year, the Company has granted from time to time options to its eligible employees under "Employee Stock Option Plan - 2004'. For details please refer note B-1 on schedule 21.

Reserves & Surplus

a. **Securities Premium Account**

The addition to the securities premium account of Rs 30 million during the year is due to the premium credited on issue of 1,24,460 equity shares, on exercise of options under "Employee Stock Option Plan - 2004'. A statement of movement in the securities premium is given below:

	As at March 31,	
Rs. in million	**2008**	**2007**
Securities premium account - As at April 1	1,544	1,189
Add: Amount credited on excercise of employee stock options issued under "Employee Stock Option Plan - 2004'	30	355
	1,574	**1,544**

b. **General Reserve**

The balance as of March 31, 2008, amounted Rs 52.70 million, same as in previous year.

c. **Profit & Loss Account**

The balance retained in the profit and loss account as of March 31, 2008, after providing for dividend, is Rs. 157.70 million. A statement of movement in profit and loss account is given below:

	For the year ended March 31,	
Rs. in million	**2008**	**2007**
Profit & Loss Account at the beginning of the year	173.52	300.90
Add: Profit/(Loss) for the year	42.80	(68.92)
Less: Proposed Dividend	50.10	49.97
Less: Corporate Dividend Tax	8.52	8.49
Profit Carried forward to balance sheet	**157.70**	**173.52**

Secured Loans

The Company borrowed additional Rs 412.01 million during the year for funding working capital requirements. The Company has also availed of an additional secured loan of Rs 215.07 million for buying property in Delhi & Mumbai and also for acquiring plant & machinery.

Fixed Assets

The additions to fixed assets in the current year consisted of expense incurred for new plant & machinery acquired for new channels and supporting expanded operations.

The capital work in progress of Rs 276.47 million as of March 31, 2008 mainly comprises assets acquired for expansion activities. It includes capital advances of Rs 264.58 million which mainly comprises advances of Rs 243.23 million for properties in Delhi and Mumbai

Investments

The Company has during the year, entered into a JV with Kasturi and Sons Limited (THE HINDU) to launch "Metronation Chennai" channel in Chennai as part of its initiative to foray into regional news channels.

The company has entered into barter ad sales arrangement and also made investments of an equivalent amount in Delhi Stock Exchange (DSE) and EMAAR MGF Land Limited as a private equity investor.

As part of the Company's plans to focus on increasing its presence in news-cum-entertainment channels across emerging markets, the Company has transferred its investment in Astro Awani Network Limited to one of its subsidiaries NDTV Emerging Markets BV which is a 50:50 joint venture with NDTV Networks Plc, which is a wholly owned subsidiary of the Company.

A statement of movement in Investments is given below:

	As at March, 31	
Rs. in million	**2008**	**2007**
Investments in subsidiaries		
NDTV News Limited	10.38	10.38
NDTV Media Limited	8.50	8.50
NDTV B.V. (Earlier known as NDTV Networks B.V.)	5.75	5.75
NDTV Convergence Limited	0.10	0.10
Emerging Market B.V. (Earlier known as Emerging Market 24x7 B.V.)	0.52	0.52
Metronation Chennai Television Private Limited	5.20	0.00
Share Application Money - in subsidiary		
NDTV News Limited	100.00	100.00
Associate Company		
Astro Awani Network Limited	0.00	9.89

	As at March, 31	
Rs. in million	**2008**	**2007**
Others		
Delhi Stock Exchange	20.95	0.00
Share application money - Emaar MGF Land Limited	250.00	0.00
	401.40	**135.14**

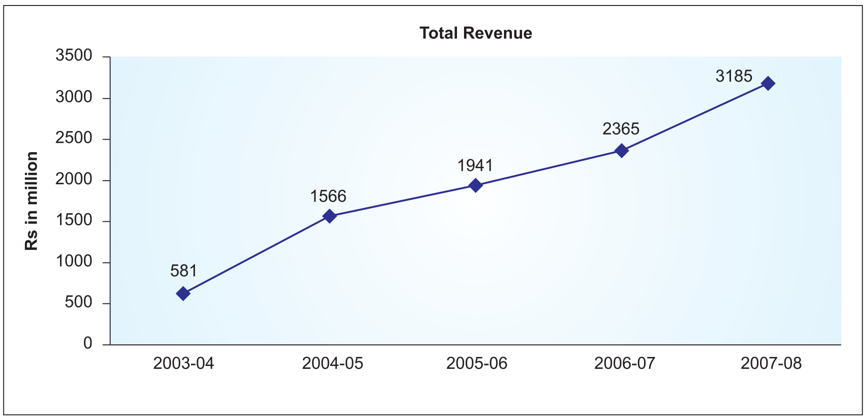
Results of operations

Revenues

The Company's advertising revenue comprises advertising revenue from the channels, NDTV 24X7, NDTV India, NDTV Profit and NDTV Metronation-Delhi. Business Income primarily comprises revenue from national and international subscription for pay channels and income from shared services.

Total Income

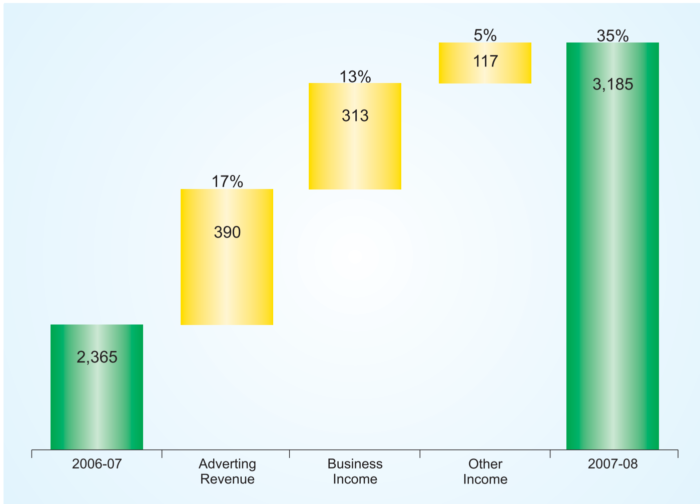
Total revenue grew by 35% from Rs 2364.74 million in the previous year to Rs 3184.99 million in the current year.



The following table sets forth the contribution of the different components of revenue and of other income towards total income for year ended March 31, 2008 and March 31, 2007.

Income for the year ended March 31,					**Rs. in million**
	2008	**%**	**2007**	**%**	**Growth%**
Advertisement Income					
Advertising Sales (net of commission)	2,427.56	76%	2,027.90	86%	20%
Barter Income (Net)	55.58	2%	65.66	3%	-15%
	2,483.15	**78%**	**2,093.56**	**89%**	**19%**
Business Income					
Subscription Revenue	258.86	8%	158.56	7%	63%
Shared Service	210.65	7%	15.00	1%	1304%
Other Business Income	103.57	3%	86.66	4%	20%
	573.08	**18%**	**260.21**	**11%**	**120%**
Other Income	**128.76**	**4%**	**10.96**	**0%**	**1075%**
	3,184.99	**100.%**	**2,364.74**	**100%**	**35%**

The Revenue driver chart below depict the contribution & growth of income from major revenue streams as discussed above:



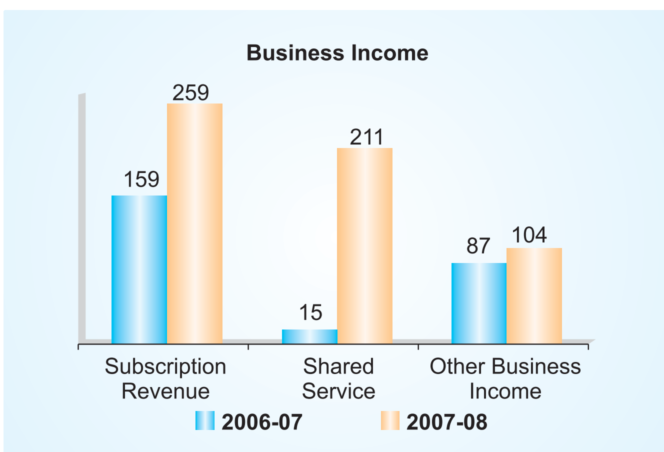
Advertising Revenue

Net advertisement revenue for the year ended March 31, 2008 was Rs. 2483.15 million as against Rs. 2093.56 million last year i.e. an increase of 19%, after netting off the advertising sales commission of Rs 455.21 million to the subsidiary NDTV Media Limited, and after including net barter sales of Rs 55.58 million. Net advertisement revenue has grown by Rs. 390 million over previous year which contributes 17% out of total revenue growth of 35% over last year's total revenue

Business Income

Business Income for the year ended March 31, 2008 increased by 120% to Rs. 573.08 million from Rs 260.21 million last year. Business Income has grown by Rs. 313 million over previous year which contributes 13% out of total revenue growth of 35% over last year's total revenue

The increase in Business Income is primarily on account of increase in subscription revenue by Rs 100.03 million. The subscription income rose to Rs 258.86 million in comparison to Rs. 158.56 million last year. During the year shared service income for support services provided to group companies is Rs. 210.65 Million as against Rs. 15 Million last year. As part of the group's strategy to utilize the expertise and experience of NDTV Ltd. in areas of technical and management support services, shared service centre was nurtured within NDTV Ltd. and the services were charged to various other group companies on an arm's length basis.



Other Income

Other Income for the year ended March 31, 2008 is Rs. 128.76 million as against Rs 10.96 million last year mainly on account of profit of Rs. 105. 79 million on sale of investment in Astro Awani Networks Limited. Other Income has grown by Rs. 117 million over previous year which contributes 5% out of total revenue growth of 35% over last year's total revenue

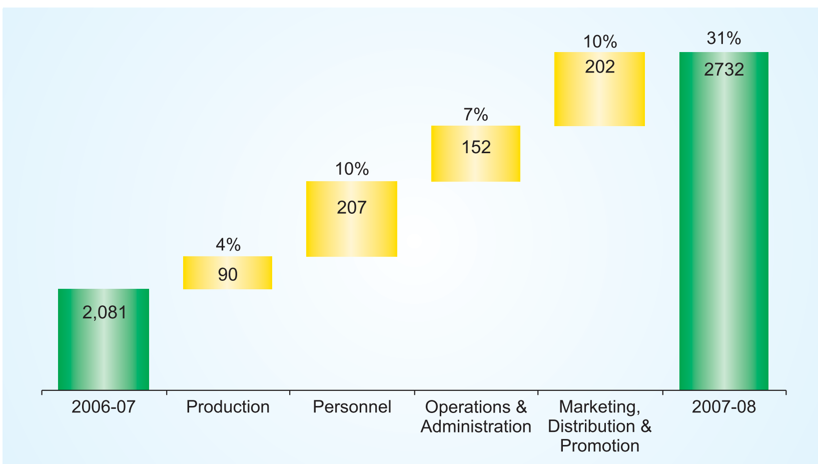
Expenses

The Company's expenses comprises of production expenses, personnel expenses, Administration Expense and Distribution & Marketing Expenses.

Operating Cost

The total operating cost for the year ended March 31, 2008 increased by 31% from Rs. 2,081.60 million in the previous year to Rs. 2,732.42 million. This is mainly attributable to the costs for New channels launched during the year, increase in costs of shared service departments which are in turn charged back on arm's length basis and distribution costs, which have gone up by 50%. Reasons for the increase in these costs are discussed separately. The following table & waterfall charts depict the different components of operating cost:

Operating expenses for the year ended March 31,					**Rs. in million**
	2008	**%**	**2007**	**%**	**Growth%**
Total Revenue	3,184.99	100%	2,364.73	100%	35%
Production Expenses	606.08	19%	516.42	22%	17%
Personnel Expenses	958.87	30%	751.58	32%	28%
Operations & Administration Expenses	558.06	18%	406.42	17%	37%
Marketing, Distribution & Promotion Expenses	609.40	19%	407.18	17%	50%
Total Operating Cost	**2,732.42**	**86%**	**2,081.60**	**88%**	**31%**



As a proportion of total income, Marketing & Distribution expense has increased by 2% from 17% in the previous year to 19% in the current year, while Personnel cost has decreased by 2% from 32% in the previous year to 30% in the current year & production expense has decreased by 3% from 22% in the previous year to 19% in current year.

Production Cost

Production Cost for the year ended March 31, 2008 increased by 17% from Rs 516.42 million in the previous year to Rs. 606.08 million in the current year.

Production expenses for the year ended March 31,					Rs. in million
	2008	**%**	**2007**	**%**	**Growth%**
Total Revenue	3,184.99	100.0%	2,364.73	100.0%	34.7%
Transmission & Uplinking	105.81	3.3%	112.41	4.8%	-5.9%
Consultancy & Professional Fee	125.24	3.9%	112.40	4.8%	11.4%
Travelling	131.75	4.1%	106.30	4.5%	23.9%
Subscription, Footage & News Service	66.17	2.1%	61.51	2.6%	7.6%
Hire Charges	15.32	0.5%	18.66	0.8%	-17.9%
Stores & Spares	26.27	0.8%	17.17	0.7%	53.0%
Website Hosting & Streaming	0.09	0.0%	15.75	0.7%	-99.4%
Helicopter Running & Maintenance	9.87	0.3%	9.57	0.4%	3.1%
Other Production Expenses	125.57	3.9%	62.65	2.6%	100.4%
	606.08	**19.0%**	**516.42**	**21.8%**	**17.4%**

Employees Cost

Employees cost for the year ended March 31, 2008 increased by 28 % from Rs 751.58 million in the previous year to Rs 958.87 million in the current year. The increase is primarily on account of;

- Net addition of 286 employees. Total staff strength increased to 1491 in the current year from 1205 in the previous year
- Annual increments in salaries.

Administrative and Other Expenses

Administrative and other expenses increased by 37% from Rs 406.42 million in the previous year to Rs. 558.06 million in the current year. The major components are:

Operating & administration expenses for the year ended March 31,					Rs. in million
	2008	**%**	**2007**	**%**	**Growth%**
Total Revenue	3,184.99	100.0%	2,364.73	100.0%	34.7%
Rent	102.83	3.2%	78.99	3.3%	30.2%
Communication	57.09	1.8%	44.87	1.9%	27.2%
Local conveyance & taxi hire	50.11	1.6%	42.54	1.8%	17.8%
Electricity and water	41.70	1.3%	28.76	1.2%	45.0%
Vehicle	46.90	1.5%	26.29	1.1%	78.4%
Repair & maintenance	58.60	1.8%	46.41	2.0%	26.3%
Legal & Professional	77.60	2.4%	19.05	0.8%	307.2%
Insurance	16.29	0.5%	16.52	0.7%	-1.4%
Books, periodicals and news papers	34.09	1.1%	26.43	1.1%	29.0%
Others	72.86	2.3%	76.55	3.2%	-4.8%
	558.06	**17.5%**	**406.42**	**17.2%**	**37.3%**

The major reasons for increase in operating & administration cost are:

- Increase in rent by Rs 23.84 million on account of additional premises taken on rent in Mumbai and Delhi and the regular annual increase

- Increase in local conveyance expenses by Rs. 7.57 million due to higher cost of fuel and increase in number of employees.
- Increase in vehicle expenses by Rs. 20.61 million due to increase in number of vehicles and increase in rates of fuel.
- Increase in legal expense by Rs 58.54 million on account of expansion activities undertaken during the year.
- Increase in electricity and water charges by Rs. 12.93 million mainly due to increase in rates and additional premises taken.
- Increase in insurance expenses by Rs. 0.23 million due to increase in number of employee and addition to fixed assets.
- Increase in Repairs & Maintenance expenses by Rs. 12.19 million mainly due to normal wear & tear.

Marketing, Distribution and Promotional Cost

Marketing and distribution expenses for the year ended March 31, 2008 increased by 50 % from Rs 407.18 million in the previous year to Rs 609.40 million in the current year. This has resulted from:

Increase in distribution and promotional expenses by Rs. 202.22 million for distribution of new channels and increase in carriage fees rates by cable operators due to intense competition for placing the channels on prime band between the broadcasters.

Finance Charges

The secured loan of Rs. 801.82 million outstanding as on March 31, 2008, resulted in finance charges of Rs. 38.54 million for the year.

Depreciation

The increase in depreciation by Rs. 25.68 million was caused by additions to fixed assets made during the current and previous year.

Income Tax

During the year based on the competent professional advice, the Company has recognized the employee stock compensation expense as tax deductible. The tax expense for the year ended March 31, 2008 is Rs. 49.06 Million primarily consisting of Fringe Benefit Tax and deferred tax expense.

Related party transactions

These have been discussed in detail in the notes to the financial statements. Please refer note B-11 on schedule 21.

Disclaimer

Statements in the management discussion and analysis report describing the Company's outlook may differ from the actual situation. Important factors that would make a difference to the Company's operations include market factors, government regulations, developments within the country & abroad and other such factors.

AUDITORS' REPORT TO THE MEMBERS OF NEW DELHI TELEVISION LIMITED

1. We have audited the attached Balance Sheet of New Delhi Television Limited, as at March 31, 2008, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:

   i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

      (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.

      (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.

   ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

      (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

      (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

   iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.

      (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.

   iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system

   v) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Act that need to be entered in the register required to be maintained under that section.

vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.

ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

x) The Company has no accumulated losses as at March 31, 2008 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.

xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the Company.

xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

xv) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.

xvi) In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.

xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

xix) The Company has not raised any money by public issues during the year.

xx) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

xxi) The clause xix of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable in the case of the Company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

4. *We refer to note on B-12 (i) of Schedule 21 regarding managerial remuneration amounting to Rs.9,684 thousand for the current year and Rs. 1,630 thousand for the previous year paid to the directors, is subject to approval by the Central Government. Additionally, employee stock options granted to one of the directors included above is further subject to the approval by the shareholders.*

In the event that the Central Government approval is not received, these amounts are to be refunded by such directors. This would then result in the Profit after Taxation for the year to be Rs. 53,618 thousand (as against the reported figure of Rs 42,800 thousand), Reserves and Surplus to be Rs.1,795,197 thousand (as against the reported figure of Rs.1,784,379 thousand), Net Current Assets to be Rs.1,117,159 thousand (as against the reported figure of Rs. 1,114,409 thousand), Employee Stock Options Outstanding to be Rs.329,177 thousand (as against the reported figure of Rs 337,244 thousand).

5. Further to our comments in paragraph 3 & 4 above, we report that:

(a) We have 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 appears from our examination of those books;

(c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;

(e) On the basis of written representations received from the directors, as on March 31, 2008 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

(f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and subject to our comments in paragraph 4 above give respectively a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008;

(ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Kaushik Dutta
Partner
Membership Number: F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Dated : April 16, 2008

New Delhi Television Limited

Balance Sheet as at March 31, 2008

	Schedule		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
Sources of Funds					
Shareholders' Funds					
Capital	1	250,325,868		249,828,028	
Employee Stock Options Outstanding	2	337,244,723		232,091,987	
Reserves & Surplus	3	1,784,379,451	2,371,950,042	1,770,360,352	2,252,280,367
Secured Loan	4		801,824,751		174,748,224
Unsecured Loan	5		128,327,208		–
			3,302,102,001		**2,427,028,591**
Application of Funds					
Fixed Assets					
Gross Block	6	2,423,580,101		1,948,163,774	
Less : Depreciation		979,420,801		782,369,314	
Net Block		1,444,159,300		1,165,794,460	
Capital Work in Progress		276,467,188		145,026,475	
			1,720,626,488		1,310,820,935
Investments	7		401,401,250		135,138,045
Deferred Tax Asset (Net) (Note B-6 on Schedule-21)			65,665,165		83,935,437
Current Assets, Loans and Advances					
Inventories	8	11,072,442		23,093,367	
Sundry Debtors	9	1,445,778,346		1,001,692,295	
Cash and Bank Balances	10	41,714,211		108,275,875	
Other Current Assets, Loans and Advances	11	559,431,978		339,755,247	
		2,057,996,977		1,472,816,784	
Less : Current Liabilities and Provisions					
Current Liabilities	12	861,666,048		497,622,250	
Provisions	13	81,921,831		78,060,360	
		943,587,879		575,682,610	
Net Current Assets			1,114,409,098		897,134,174
			3,302,102,001		**2,427,028,591**
Significant Accounting Policies and Notes to the Accounts	21				

This is the Balance Sheet referred to in our report of even date

The schedules referred to above form an integral part of the Balance Sheet

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Date : April 16, 2008

For and on behalf of the Board

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

New Delhi Television Limited

Profit and Loss Account for the year ended March 31, 2008

	Schedule		For the year ended March 31, 2008 Amount (Rs.)		For the year ended March 31, 2007 Amount (Rs.)
Income					
Business Income					
– Advertising Revenue	14		2,483,148,989		2,093,559,818
– Other	15		573,075,442		260,214,789
Other Income	16		128,764,431		10,962,340
			3,184,988,862		**2,364,736,947**
Expenditure					
Production Expenses	17		606,082,460		516,422,682
Personnel Expenses	18		958,871,530		751,577,729
Operations & Administration Expenses	19		558,060,443		406,418,897
Marketing, Distribution & Promotion Expenses			609,401,467		407,177,675
			2,732,415,900		**2,081,596,983**
Profit Before Interest, Depreciation, Tax and Employee Stock Compensation Expense			**452,572,962**		**283,139,964**
Interest and Financial Charges	20		38,544,779		10,291,210
Depreciation	6		203,823,957		178,143,856
Profit Before Tax & Employee Stock Compensation Expense			**210,204,226**		**94,704,898**
Employee Stock Compensation Expense (Note B-1 on Schedule 21)			118,343,111		294,738,914
Tax Expense					
– Current Tax		9,031,271		–	
– Tax for Earlier Years written back		(404,844)		(1,161,370)	
– Deferred Tax (Note B-6 on Schedule 21)		18,270,272		(146,883,435)	
– Fringe Benefits Tax		22,164,294	49,060,993	16,930,093	(131,114,712)
Net Profit/ (Loss) After Tax			**42,800,122**		**(68,919,304)**
Previous Year Balance Brought Forward			**173,519,065**		**300,895,630**
Amount available for appropriations			**216,319,187**		**231,976,326**
Appropriations					
Proposed Dividend			50,106,043		49,965,606
Corporate Dividend Tax			8,515,522		8,491,655
Profit Carried Forward			157,697,622		173,519,065
			216,319,187		**231,976,326**
Earnings Per Share (Note B-14 on Schedule 21)					
– Basic			0.68		(1.13)
– Diluted			0.66		(1.13)
Significant Accounting Policies and Notes to the Accounts	21				

This is the Proft and Loss Account referred to in our report of even date

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Date : April 16, 2008

The schedules referred to above form an integral part of the Proft and Loss Account

For and on behalf of the Board

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

New Delhi Television Limited

Cash flow statement for the year ended March 31, 2008

		For the year ended March 31, 2008 Amount (Rs.)	For the year ended March 31, 2007 Amount (Rs.)
A.	**Cash flow from operating activities:**		
	Net Profit /(Loss) before tax after Employee Stock Compensation Expense	91,861,115	(200,034,016)
	Adjustments for:		
	Depreciation	203,823,957	178,143,856
	Interest Expense	38,544,779	10,291,210
	Interest Income	(7,113,429)	(6,290,348)
	Employee Stock Compensation Expense	118,343,111	294,738,914
	(Profit)/Loss on sale / write off of Fixed Assets	(865,615)	10,637,048
	(Profit)/Loss on sale of investment	(105,789,125)	–
	Debts / Advances Written off	521,324	5,392,929
	Provision for Bad & Doubtful Debts/ advances	504,455	4,000,000
	Provision for Gratuity & Leave Encashment	1,450,464	6,592,766
	Liability no longer required written back	(5,532,501)	–
	Unrealised Foreign exchange Profit/(Loss)	–	299,312
	Barter Income	(169,135,941)	(129,810,305)
	Barter Expenditure	113,551,357	64,147,412
	TDS on Service Income	(78,504,944)	(35,827,644)
	Operating profit before working capital changes	**201,659,007**	**202,281,134**
	Adjustments for changes in working capital :		
	– (Increase)/Decrease in Sundry Debtors	(445,111,830)	(82,458,917)
	– (Increase)/Decrease in Other Receivables	(9,504,881)	(65,355,278)
	– (Increase)/Decrease in Inventories	12,020,925	13,302,616
	– Increase/(Decrease) in Trade and Other Payables	416,706,399	50,117,814
	Cash generated from operations	**175,769,620**	**117,887,369**
	– Taxes (Paid) / Received (Net of TDS)	(4,000,000)	(17,506,828)
	– Fringe Benefit Tax (Paid)/ Received	(34,492,136)	(16,392,600)
	Net cash from operating activities	**137,277,484**	**83,987,941**
B.	**Cash flow from Investing activities:**		
	Purchase of fixed assets	(607,604,992)	(385,417,223)
	Proceeds from Sale of fixed assets	2,277,376	34,614,818
	Interest Received	1,123,456	8,843,900
	Purchase of investments	(276,155,080)	(16,257,745)
	Net cash used in investing activities	**(880,359,240)**	**(358,216,250)**

New Delhi Television Limited

Cash flow statement for the year ended March 31, 2008

		For the year ended March 31, 2008 Amount (Rs.)	For the year ended March 31, 2007 Amount (Rs.)
C.	**Cash flow from financing activities:**		
	Proceeds form fresh issue of Share Capital	497,840	6,617,500
	Employee Stock Compensation expense reimbursed by subsidiaries (Note B-1 on Schedule 21)	16,650,167	30,994,647
	Loan given to subsidiaries	(4,500,000)	(93,038,900)
	Loan received back from subsidiaries	4,500,000	93,038,900
	Receipt of Term Loan from Bank	633,326,527	174,748,224
	Repayment of term loan	(6,250,000)	–
	Receipt of Unsecured Loan from Bank	128,327,208	–
	Interest Paid	(37,526,574)	(10,291,210)
	Dividend Paid	(50,006,475)	(48,642,106)
	Dividend Tax Paid	(8,498,601)	(6,822,055)
	Net cash generated/(used) in financing activities	**676,520,092**	**146,605,000**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**(66,561,664)**	**(127,623,309)**
	Opening Cash and cash equivalents	**108,275,875**	**236,198,496**
	Closing Cash and cash equivalents[4]	**41,714,211**	**108,575,187**
	Cash and cash equivalents comprise[4]		
	Cash in hand	1,702,623	838,994
	Balance with Scheduled Banks on Current and Deposit accounts	40,011,588	107,436,881
		41,714,211	**108,275,875**
	Unrealised Foreign exchange Profit/(Loss)	–	299,312
		41,714,211	**108,575,187**

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.
2. Figures in brackets indicate cash outflow.
3. Following non cash transactions have not been considered in the cash flow statement.
   – Tax deducted at source (on income)
   – Barter Transactions
4. Includes fixed deposits under lien Rs 4,835,000 (Previous Year Rs 4,500,000) against letters of credit issued and Rs 3,760,500 (Previous Year Rs. 9,190,500) pledged against bank guarantees.
5. Figures of the previous year have been restated, regrouped or reclassified wherever necessary to conform to current year's figures.

This is the Cash Flow Statement referred to in our report of even date

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Date : April 16, 2008

The schedules referred to above form an integral part of the Cash Flow Statement

For and on behalf of the Board

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

New Delhi Television Limited

Schedules to the Balance Sheet

		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
Schedule - 1				
Capital				
Authorised :				
87,500,000 Equity Shares of Rs.4/- each (Previous Year 68,750,000 Equity Shares of Rs 4/- each)		**350,000,000**		**275,000,000**
Issued , Subscribed & Paid Up :[1]				
62,581,467 Equity Shares of Rs.4/- each (Previous Year 62,457,007 Equity Shares of Rs 4/- each)		250,325,868		249,828,028
		250,325,868		**249,828,028**

[1] Out of the above:

(a) 7,509,870 (Previous Year - 7,509,870) Equity Shares of Rs. 4/- each were allotted as fully paid up by way of Bonus Shares by capitalisation of Profits and Revaluation Reserve.

(b) 33,651,690 (Previous Year - 33,651,690) Equity Shares of Rs. 4/- each were allotted as fully paid up by way of Bonus Shares by capitalisation of Securities Premium.

(c) 9,077,528 (Previous Year - 9,077,528) Equity Shares of Rs. 4/- each were allotted as fully paid up pursuant to a contract without payment being received in cash.

(d) 1,778,835 (Previous Year - 1,654,375) Equity shares of Rs. 4/- each allotted to employees of the company on exercise of the vested stock options under Employee Stock Option Plan - ESOP 2004 of the company (Note B-1 on Schedule 21)

Schedule - 2				
Employee Stock Options Outstanding				
(Note B-1 on Schedule 21)				
Stock options outstanding		470,882,151		452,239,597
Less: Deferred employee compensation expense		133,637,428		220,147,610
		337,244,723		**232,091,987**
Schedule - 3				
Reserves & Surplus				
Securities Premium Account				
Opening Balance	1,544,139,717		1,188,953,179	
Additions during the year[1]	29,840,542		355,186,538	
Closing Balance		1,573,980,259		1,544,139,717
General Reserve		52,701,570		52,701,570
Profit and Loss Account		157,697,622		173,519,065
		1,784,379,451		**1,770,360,352**

[1] On exercise of employee stock options

Schedule - 4				
Secured Loans				
From a Bank				
– Term Loans[1,3,4]		290,300,577		75,231,000
– Working Capital Loan[2,3]		511,524,174		99,517,224
		801,824,751		**174,748,224**

[1] Out of the above:

– Rs. 133,700,577 (Previous year Rs. 22,131,000) secured by the hypothecation of specific Plant and Machinery acquired/ to be acquired against the aforesaid loan and also against existing Plant and Machinery.

– Rs. 156,600,000 (Previour year Rs. 53,100,000) secured by charge created on building to be acquired against the aforesaid loan

[2] Secured by way of charge created on all current and future book-debts of the Company. The loan is also collaterally secured by the hypothecation of specific Plant and Machinery acquired / to be acquired against the term loan.

[3] Further the loans are also secured by way of charge created over the specified properties of the Company situated at New Delhi & Mumbai

[4] Term loans repayable within a year Rs. 101,670,000 (Previous year Rs. 6,250,000)

Schedule - 5				
Unsecured Loans				
From a Bank				
– Working Capital Loan		128,327,208		–
		128,327,208		**–**

New Delhi Television Limited

Schedule to the Balance Sheet

Schedule - 6 Fixed Assets

(Note A-2, 3 & 4 on Schedule 21)

Amount (Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	As at April 01, 2007	Additions During the Year [8]	Deletion/ Adjust-ments [7]	As at March,31 2008	As at April 01, 2007	Provided During the Year	On Deduc-tions [7]	As at March 31, 2008	As at March 31, 2008	As at March 31, 2007
Intangible assets										
Computer Software	17,477,090	7,606,760	–	25,083,850	4,053,547	3,526,603	–	7,580,150	17,503,700	13,423,543
Tangible assets										
Building[1]	73,861,313	–	–	73,861,313	8,249,717	1,781,519	–	10,031,236	63,830,077	65,611,596
Plant & Machinery										
– Plant & Machinery (Main)[2]	1,323,428,755	310,075,079	–	1,633,503,834	534,879,524	127,337,792	–	662,217,316	971,286,518	788,549,231
– Plant & Machinery (Other)	60,173,951	26,018,469	–	86,192,420	26,992,809	6,516,264	–	33,509,073	52,683,347	33,181,142
Computers	146,147,188	40,625,987	296,704	186,476,471	91,482,849	16,360,782	33,735	107,809,896	78,666,575	54,664,339
Office Equipment[3]	30,128,352	9,768,322	135,729	39,760,945	20,603,750	3,997,276	51,569	24,549,457	15,211,488	9,524,602
Furniture & Fixtures	84,606,988	78,350,593	12,960	162,944,621	49,442,573	13,259,280	12,312	62,689,541	100,255,080	35,164,415
Vehicles[4]	192,340,137	11,155,348	7,738,838	195,756,647	42,571,019	29,926,795	6,674,854	65,822,960	129,933,687	149,769,118
Helicopter[5]	20,000,000	–	–	20,000,000	4,093,526	1,117,646	–	5,211,172	14,788,828	15,906,474
TOTAL	**1,948,163,774**	**483,600,558**	**8,184,231**	**2,423,580,101**	**782,369,314**	**203,823,957**	**6,772,470**	**979,420,801**	**1,444,159,300**	**1,165,794,460**
Previous Year	1,744,059,128	372,817,272	168,712,626	1,948,163,774	727,686,214	178,143,856	123,460,756	782,369,314	1,165,794,460	–
Capital Work in Progress[6]	–	–	–	–	–	–	–	–	**276,467,188**	**145,026,475**

1 Includes land appurtenant to the buildings acquired.
2 Gross Block includes assets aggregating Rs. Nil (Previous Year Rs. 5,059,621) purchased under barter arrangements during the year
3 Gross Block includes assets aggregating Rs. 1,320,003 (Previous Year Rs. 848,972) purchased under barter arrangements during the year
4 Gross Block includes assets aggregating Rs.5,167,119 (Previous Year Rs. 70,287,289) purchased under barter arrangements during the year
5 Title and ownership is as confirmed by Deccan Aviation Limited.
6 Includes an amount of Rs. 264,587,810 (Previous Year Rs. 92,662,659) towards Capital Advances.
7 Includes assets having a Gross Block of Rs. Nil (Previous Year Rs. 108,596,847) and Accumulated Depreciation of Rs. Nil (Previous Year Rs. 76,990,173) sold to the subsidiaries at cost plus applicable taxes.
8 Consequent to the notification of AS-11 ‘ The Effects of Changes in Foreign Exchange Rates’ under Section 211 (3C) of the Companies Act,1956, the company has charged to profit & loss account, the exchange fluctuation on liabilities incurred for acquisition of fixed assets outside India. The above change does not have any material effect on the financial statements for the year ended March 31, 2008. In the previous year, additions include adjustments on account of exchange fluctuation (net) Rs. 197,571.

New Delhi Television Limited

Schedules to the Balance Sheet

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
Schedule - 7		
Investments		
(Note A-13 on Schedule 21)		
(Long Term, Trade, Unquoted, at Cost)		
Subsidiary Companies		
NDTV News Limited		
– 5,000 Equity Shares (Previous Year 5,000 Equity Shares) of Rs. 100/- each fully paid up	10,380,300	10,380,300
– Share Application Money	100,000,000	100,000,000
NDTV Media Limited		
– 850,000 Equity Shares of Rs. 10/- Each Fully Paid Up (Previous Year - 850,000 Equity Shares) of Rs. 10/- each Fully Paid Up	8,500,000	8,500,000
NDTV B.V. (Earlier known as NDTV Networks B.V.)		
– 980 Equity Shares (Previous Year 980 Equity Shares) of Euro 100/- Each Fully Paid Up	5,745,960	5,745,960
NDTV Convergence Limited		
– 10,241 Equity Shares (Previous Year 10,241 Equity Shares) of Rs. 10/- Each Fully Paid Up	102,410	102,410
NDTV Emerging Markets B.V. (Earlier known as Emerging Market 24X7 B.V.)		
– 90 Equity Shares (Previous Year 90 Equity Shares) of Euro 100/- Each Fully Paid Up	517,500	517,500
Metronation Chennai Television Private Limited		
– 520,408 Equity Shares (Previous Year Nil) of Rs. 10/- each Fully Paid Up	5,204,080	–
Associate Company (Note B-3 & B-11(I) on Schedule 21)		
Astro Awani Network Limited		
Nil Equity Shares (Previous Year 2,12,500 Equity Shares) of USD 1/- each Fully Paid Up	–	9,891,875
Others		
Delhi Stock Exchange		
299,300 Equity Shares of Rs -1/- each Fully Paid Up (Previous year Nil)	20,951,000	–
Share Application Money		
Emaar MGF Land Limited	250,000,000	–
	401,401,250	**135,138,045**
Schedule - 8		
Inventories		
(Note A-6 & B-8 on Schedule 21)		
Stores & Spares	1,428,586	1,564,042
Video Tapes	194,978	1,757,934
Programmes under production and finished programmes	9,448,878	19,771,391
	11,072,442	**23,093,367**

New Delhi Television Limited
Schedules to the Balance Sheet

Schedule - 9
Sundry Debtors

		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
(Unsecured, Considered Good unless otherwise specified)				
Debts Outstanding for a period exceeding six months				
Considered good	121,234,588		89,394,397	
Considered doubtful	15,409,579	136,644,167	14,905,125	104,299,522
Other Debts				
Considered good [1]		1,324,543,758		912,297,898
Less: Provision for Doubtful Debts		(15,409,579)		(14,905,125)
		1,445,778,346		**1,001,692,295**

[1] Includes Rs 177,596,548 (Previous Year Rs Nil) due from Subsidiary Companies

Schedule - 10
Cash and Bank Balances

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
Cash In Hand	1,702,623	838,994
Balance With Scheduled Banks on		
Current Accounts		
– Rupee Accounts	18,248,390	59,588,706
– EEFC Accounts	1,610,748	1,174,253
Fixed Deposits [1]	20,152,450	46,673,922
	41,714,211	**108,275,875**

[1] Includes fixed deposits under lien Rs 4,835,000 (Previous Year Rs. 4,500,000) against letters of credit issued and Rs. 3,760,500 (Previous Year Rs. 9,190,500) pledged against bank guarantees.

Schedule - 11
Other Current Assets, Loans and Advances

		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
(Unsecured and considered good unless otherwise specified)				
Advances recoverable in cash or kind or for value to be received[1]				
Unsecured, Considered Good	114,362,796		43,078,981	
Considered doubtful	4,000,000	118,362,796	4,000,000	47,078,981
Less: Provision for Doubtful Advances		(4,000,000)		(4,000,000)
		114,362,796		43,078,981
Security Deposits		44,878,206		34,759,375
Interest Accrued But Not Due		821,855		241,790
Advances & Imprest to Employees[2]		134,298,729		79,595,264
Prepaid Expenses		77,525,537		61,554,031
Advance to Subsidiaries		9,078,606		21,347,982
Advance Income Tax {Net of Provision for Income Tax of Rs. 36,640,621 (Previous Year Rs. 27,609,350)}		178,466,249		99,177,824
		559,431,978		**339,755,247**

[1] Includes Rs. 49,043,829 (net of liabilities of Rs. 46,746,203) on account of barter transactions {Previous Year Rs. 17,304,235 (net of liabilities of Rs. 64,442,415)}

[2] Includes Rs. 2,399,364 due from Directors (Previous Year Rs. 959,416). Maximum balance outsanding during the year Rs. 2,399,364 (Previous Year Rs. 1,360,748)

New Delhi Television Limited

Schedules to the Balance Sheet

Schedule - 12
Current Liabilities

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
Sundry Creditors [1, 2]	519,945,361	415,101,770
Other Liabilities	73,805,478	78,069,856
Security Deposit	3,950,000	–
Advances from Customers	263,965,209	4,450,624
	861,666,048	**497,622,250**

[1] As per the information available with the Company, there are no amounts due to Micro and Small Enterprises.
[2] Includes Rs. 291,538,162 (Previous Year Rs. 251,042,647) payable to subsidiary companies.

Schedule - 13
Provisions

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
Provision for Gratuity (Note B-19 on Schedule 21)	19,757,394	18,306,930
Proposed Dividend	50,065,174	49,965,606
Corporate Dividend Tax	8,508,576	8,491,655
Provision for Fringe Benefit Tax {Net of advance fringe benefit tax of Rs. 68,209,776 (Previous Year Rs. 33,717,640)}	3,590,687	1,296,169
	81,921,831	**78,060,360**

New Delhi Television Limited

Schedules to the Profit and Loss Account

		For the Year ended March 31, 2008 Amount (Rs.)		For the Year ended March 31, 2007 Amount (Rs.)
Schedule - 14				
Advertising Revenue				
Sales		2,882,776,923		2,434,484,430
Barter Sales	169,135,941		129,810,305	
Less: Barter Expenses - Advertisement	(113,551,357)	55,584,584	(64,147,412)	65,662,893
Less : Media commission payable to NDTV Media Limited		(455,212,518)		(375,075,279)
Less : Commission payable to Other Agencies (Note B-7 on Schedule 21)		–		(31,512,226)
		2,483,148,989		**2,093,559,818**
Schedule - 15				
Other Business Income				
Sale of Television Software		150,000		4,855,776
Other News Delivery Avenues [1]		57,273		40,784,396
Equipment Hire Revenue		6,988,877		9,426,990
Subscription Revenue		258,859,950		158,556,935
Shared Service		210,646,772		15,000,000
Others		96,372,570		31,590,692
		573,075,442		**260,214,789**

[1] Includes Barter Income of Rs. Nil (Previous Year Rs. 1,953,286)

	For the Year ended March 31, 2008 Amount (Rs.)	For the Year ended March 31, 2007 Amount (Rs.)
Schedule - 16		
Other Income		
Interest earned:		
– On Fixed Deposits {Gross of tax deducted at source Rs. 588,372/- (Previous Year Rs. 1,380,124)}	2,210,030	6,290,348
– On Income Tax Refund	4,821,536	828,053
– On Inter Corporate Deposits	81,863	998,134
Profit on sale of fixed assets	865,615	–
Profit on sale of Investment (Note B-3 on Schedule 21)	105,789,125	–
Liabilities written back	5,532,501	123,688
Miscellaneous Income	9,463,761	2,722,117
	128,764,431	**10,962,340**
Schedule - 17		
Production Expenses		
Consultancy & Professional Fee [1]	125,235,019	112,399,747
Hire Charges	15,319,205	18,662,549
Graphic, Music And Editing	6,738,170	5,957,675
Video Cassettes	9,292,534	7,580,223
Subscription , Footage & News Service	66,171,394	61,509,403
Software Expenses	6,066,309	4412,043
Transmission & Uplinking	105,811,096	112,411,344
Sets Construction	4,086,686	982,850
Panelist Fee	5,128,242	4,740,966
Website Hosting & Streaming	89,033	15,746,325
Helicopter Running & Maintenance	9,865,962	9,573,570
Travelling	131,751,795	106,299,660
Stores & Spares	26,265,758	17,165,832
On-Air Promo Expenses	3,102,623	–
Other Production Expenses	91,158,634	38,980,495
	606,082,460	**516,422,682**

[1] Includes Rs. 900,000/- (Previous Year Rs. 900,000) paid to NDTV Media Limited towards Professional Fees.

New Delhi Television Limited

Schedules to the Profit and Loss Account

	For the Year ended March 31, 2008 Amount (Rs.)	For the Year ended March 31, 2007 Amount (Rs.)
Schedule - 18		
Personnel Expenses		
Salary, Wages & Other Benefits	882,263,812	682,868,323
Contribution to Provident Fund & other Funds	50,604,139	45,620,270
Staff Welfare	26,003,579	23,089,136
	958,871,530	**751,577,729**
Schedule - 19		
Operations & Administration Expenses		
Rent (Note B- 15 on Schedule 21)	102,826,010	78,990,494
Rates and taxes	2,851,987	1,828,982
Electricity and water	41,697,270	28,764,989
Bank charges	5,884,863	5,220,703
Books, periodicals and news papers	34,087,488	26,434,221
Local conveyance & taxi hire	50,107,031	42,536,331
Repair and Maintenance		
– Plant & Machinery	30,765,002	25,670,626
– Building	27,839,659	20,741,393
Charity and donations	1,264,111	1,105,801
Auditor’s Remuneration (Note B-13 on Schedule 21)	3,825,221	2,918,104
Insurance	16,289,217	16,517,650
Communication	57,089,300	44,867,331
Vehicle	46,900,675	26,287,959
Provision for doubtful debts/ advances	504,455	4,000,000
Bad Debts & doubtful advances written off	521,324	5,392,929
Legal, Professional and Consultancy	77,596,649	19,054,022
Loss on Sale/write off of Fixed Assets	–	10,637,048
Foreign Exchange Fluctuation - Net	270,746	2,965,034
Miscellaneous	57,739,435	42,485,280
	558,060,443	**406,418,897**
Schedule - 20		
Interest and Financial Charges		
Interest		
– Term Loans	19,217,686	2,283,561
– Others	19,327,093	8,007,649
	38,544,779	**10,291,210**

New Delhi Television Limited

Schedules to the Accounts

Schedule - 21

A. Significant Accounting Policies

1. Basis of Preparation

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

2. Tangible Fixed Assets

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

Fixed assets purchased under barter arrangements are stated at the fair market value as at the date of purchase.

3. Intangibles

Intangible assets are recognised if they are separately identifiable and the Company controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the profit and loss account. Intangible assets are stated at cost less accumulated amortization and impairment.

4. Depreciation

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

Asset Head	Useful Life (years)
Buildings	40
Plant and Machinery	5-12
Computers	3-6
Office equipment	3-5
Website	6
Furniture and Fixtures	5-8
Vehicles	6
Helicopter	17
Computer Software	6

The rates of depreciation derived from these estimates of useful lives are higher than those mandated by Schedule XIV of the Companies Act, 1956 after considering the impact of shift workings.

5. Revenue Recognition

Broadcasting advertisement revenue, net of agency commissions, is recognised when the advertisements are displayed.

Revenue from services provided are recognised when persuasive evidence of an arrangement exists; the consideration is fixed or determinable; and it is reasonable to expect ultimate collection. Such revenues are recognized as the services are provided.

Subscription Revenue from direct-to- home satellite operators and other distributors for the right to distribute is recognized as earned when the service has been provided as per the terms of the contract.

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

Revenues from production arrangements are recognised when the contract period begins and the programming is available for telecast pursuant to the terms of the agreement, typically when the finished product has been delivered to or made available to and accepted by the customer. Revenue from equipment given out on lease is accounted for on accrual basis for the period of use of equipment by the customers.

6. Inventories

Stores and Spares

Stores and spares consist of blank videotapes and equipment spare parts and are valued at the lower of cost or net realisable value. Cost is measured on a First In First Out (FIFO) basis.

VHS Tapes

VHS tapes, other than Betacam and DVC videotapes, are written off in the books at the time of their purchase. Betacam and DVC videotapes are written off on issue to production.

Programmes under production and finished programmes

Inventories related to television software (programmes completed, in process of production, available for sale or purchased programmes) are stated at the lower of cost (which includes direct production costs, story costs, acquisition of footage and allocable production overheads) or net realisable value. The cost of purchased programmes is amortised over the initial license period. The Company charges to the profit and loss account the costs incurred on non-news programmes produced by itself based on the estimated revenues generated by the first and the subsequent telecasts.

7. Post Employment Benefits

The Company’s contribution to State Provident Fund is charged to the Profit and Loss Account.

The Company provides for long term defined benefit schemes of gratuity on the basis of actuarial valuation on the Balance Sheet date based on the Projected Unit Credit Method. In respect of gratuity, the Company funds the benefits through annual contributions to Life Insurance Corporation of India (LIC). Under this scheme, LIC assumes the obligation to settle the gratuity payment to the employees to the extent of the funding including accumulated interest. The actuarial valuation of the liability towards the Gratuity Retirement benefits of the employees is made on the basis of assumptions with respect to the variable elements affecting the computations including estimation of interest rate of earnings on contributions to LIC, discount rate, future salary increases. The Company recognises the actuarial gains and losses in the Profit & Loss account as income and expense in the period in which they occur.

8. Foreign Currency Transactions

Transactions in foreign currency are recorded at the rates of exchange in force at the time the transactions are effected. All monetary assets and liabilities denominated in foreign currency are restated at the year-end exchange rate. All non-monetary assets and liabilities are stated at the rates prevailing on the date of the transaction.

Gains / (losses) arising out of fluctuations in the exchange rates are recognized as income/expense in the period in which they arise.

The Company does not enter into any derivative or speculative foreign exchange transactions.

9. Leases

Assets taken under leases, where the Company has substantially all the risks and rewards of ownership are classified as Finance leases. Such assets are capitalised at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

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

10. Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of the assessment.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws substantially enacted as on the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation/brought forward losses are recognized to the extent there is virtual certainity that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainity that sufficient future taxable income will be available against which such deferred tax assets can be realised.

11. Earnings Per Share (EPS)

Basic EPS

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

Diluted EPS

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

12. Dividend

Dividends on equity shares and the related dividend tax thereon are recorded as a liability on proposal by the Board.

13. Investments

Current investments are valued at cost or fair value whichever is lower.

Long term investments are stated at cost of acquisition. However, permanent diminutions, if any, are adjusted against the value of investments.

14. Barter Transactions

Barter transactions are recognised at the fair value of consideration receivable or payable. 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/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 whether used for business purposes or otherwise, or service and/or makes an investment in a customer and at the same time negotiates a contract for sale of advertising to the customer. Arrangements though negotiated contemporaneously, may be documented in one or more contracts. The Company's policy for accounting for each transaction negotiated contemporaneously 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 other than for business purposes are recorded as Investments and accounted for accordingly. In determining the fair value, the Company refers to independent appraisals (where available), historical transactions or comparable cash transactions.

15. Employee stock based compensation

The Company calculates the employee stock compensation expense based on the intrinsic value method wherein the excess of market price of underlying equity shares as on the date of the grant of options over the exercise price of the options given to employees under the Employee Stock Option Scheme of the Company, is recognized as deferred stock compensation expense and is amortised over the vesting period on the basis of generally accepted accounting principles in accordance with the guidelines of Securities and Exchange Board of India.

16. Borrowing Costs

Borrowing costs attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

New Delhi Television Limited

Schedules to the Accounts

Schedule - 21

B. Notes to Accounts

1. Employee Stock Option Plan – ESOP 2004

The Company instituted the Employee Stock Option Plan – ESOP 2004 to grant equity-based incentives to all its eligible employees. The ESOP 2004, finally approved by the shareholders on September 19, 2005 provides for grant of 4,057 thousand options to employees of the Company by the ESOP Committee at an exercise price of Rs. 4 each, representing one share for each option upon exercise. The maximum tenure of these options granted is 7 years from the date of grant. The balance options available for grant as at March 31, 2008 is 245 thousand (previous year 355 thousand). The details of options granted to employees under the ESOP 2004 is set out below.

	First Grant	Second Grant	Third Grant	Fourth Grant	Fifth Grant	Sixth Grant	Seventh Grant	Eight Grant	Ninth Grant	Total
Date of Grant	June 30, 2005	Sept 19, 2005	Dec 1, 2005	Apr 20, 2006	Apr 20, 2006	July 1, 2006	Aug 1, 2006	Oct 17, 2007	Oct 17, 2007	
Market value on date of grant of the underlying equity shares	212.75	235.20	179.50	259.20	259.20	173.90	156.35	376.10	376.10	–
Exercise Price	Rs. 4	Rs. 4	Rs 4	Rs 4	Rs 4	Rs 4	Rs 4	Rs 4	Rs 4	–
Vesting Period	1 to 4 Years[1]	1 to 4 Years[1]	1 to 4 Years[1]	1 to 4 Years[1]	1 Year	1 to 4 Years[1]	1 to 4 Years[1]	1 Year	1 to 4 Years[1]	–
Options outstanding at the beginning of the year	1,196,250	446,250	6,250	270,000	93,420	10,000	25,000	–	–	2,047,170
Options granted	–	–	–	–	–	–	–	37,500	120,000	157,500
Options forfeited	37,000	9,250	–	–	1,020	–	–	–	–	47,270
Options exercised	32,000	9,250	–	43,750	36,960	2,500	–	–	–	124,460
Options expired	–	–	–	–	–	–	–	–	–	–
Options outstanding at the year end[2]	1,127,250	427,750	6,250	226,250	55,440	7,500	25,000	37,500	120,000	2,032,940
Options Exercisable at the year end	–	–	–	28,130	51,060	–	6,250	–	–	85,440

[1] 25% to vest each year over a period of 4 years.

[2] weighted average remaining contractual life of 1.49 years.

Accordingly, the Company under the intrinsic value method has recognised the excess of the market price over the exercise price of the options amounting to Rs. 118,343 thousand (previous year Rs. 294,738 thousand), net of costs recovered from subsidiaries Rs. 16,650 thousand (Previous Year Rs 30,994) as an expense during the year. Further, the cost of the previous year includes Rs. 25,426 thousand (net of costs recovered from subsidiaries Rs 2,588 thousand), being the charge consequent to accelerated vesting of 825 thousand options out of 2nd Tranche of First, Second and Third Grant.

Further, the liability outstanding as at the March 31, 2008 in respect of Employee Stock Options outstanding is Rs. 337,244 thousand (previous year Rs. 232,091 thousand). The balance deferred compensation expense Rs. 133,637 thousand (previous year Rs 220,147 thousand) will be amortised over the remaining vesting period of the options.

The fair value of each stock option granted under ESOP 2004 as on the date of grant has been computed using Black-Scholes Option Pricing Formula and the model inputs are given as under:

	First Grant	**Second Grant**	**Third Grant**	**Fourth Grant**	**Fifth Grant**	**Sixth Grant**	**Seventh Grant**	**Eight Grant**	**Ninth Grant**
Date of Grant	June 30, 2005	Sept 19, 2005	Dec 1, 2005	Apr 20, 2006	Apr 20, 2006	July 1, 2006	Aug 1, 2006	Oct 17, 2007	Oct 17, 2007
Weighted average share price on the grant date	Rs. 212.75	Rs. 235.20	Rs. 179.50	Rs. 259.20	Rs. 259.20	Rs. 173.90	Rs. 156.35	Rs. 357.60	Rs. 357.60
Volatility (%)	50.20 to 64.49[1]	50.12 to 63.15[1]	49.05 to 60.13[1]	47.69	47.69	52.72	52.40	55.88	51.22 to 52.57
Risk free rate [2] (%)	6.33 to 6.60	6.39 to 6.79	6.32 to 6.81	6.72 to 7.06	6.72	6.57 to 7.09	7.49 to 7.98	7.81	7.76 to 7.78
Exercise Price	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4
Time to Maturity (years) [3]	2.50 to 5.50	2.50 to 5.50	2.50 to 5.50	2.50 to 5.50	2.50	2.50 to 5.50	2.50 to 5.50	1.50	2.50 to 5.50
Dividend Yield	0%[4]	0%[4]	0%[4]	0.54%	0.54%	0.54%	0.54%	0.34%	0.34%
Life of options	7 years	7 years	7 years	7 years	4 years	7 years	7 years	4 Years	7 Years
Weighted average fair value of options as at the grant date	Rs. 209.66	Rs. 232.13	Rs. 176.42	Rs. 250.63	Rs. 252.35	Rs. 167.14	Rs. 150.08	Rs 352.21	Rs 349.79

[1] In view of the non availability of adequate historical data for the Company, the historical volatility of another entity within the same industry has been considered.

[2] Being the interest rate applicable for maturity equal to the expected life of options based on zero-coupon yield curve for Government Securities.

[3] Vesting period and volatility of the underlying equity shares have been considered for estimation.

[4] Since the average price trend for earlier years was not available as the Company was listed in May 2004, dividend yield has not been considered.

The impact on the profit of the Company for the year ended March 31, 2008 and the basic and diluted earnings per share had the Company followed the fair value method of accounting for stock options is set out below:

Amount (Rs. '000)

	Current year	**Previous year**
Profit / (Loss) after tax as per Profit and Loss Account (a)	42,800	(68,919)
Add : Employee Stock Compensation Expense (Net) as per Intrinsic Value Method	118,343	294,738
Less : Employee Stock Compensation Expense (Net) as per Fair Value Method	118,742	296,102
Profit/(Loss) after tax recomputed for recognition of employee stock compensation expense under fair value method (b)	42,401	(70,283)
Basic Earnings per Share as computed on earnings as per (a) above (Rs)	0.68	(1.13)
Diluted Earnings per Share as computed on earnings as per (a) above (Rs)	0.66	(1.13)
Basic Earnings per Share as computed on earnings recomputed as per (b) above (Rs)	0.68	(1.15)
Diluted Earnings per Share as computed on earnings recomputed as per (b) above (Rs)	0.66	(1.15)

2. New Business Initiatives

On January 22, 2008 the Company along with its subsidiary NDTV Networks BV entered into a Memorandum of Agreement (MOA) with NBC Universal Inc. and one of its affiliates(NBCU), which contemplates divestment to the NBCU affiliate of a 26% effective indirect stake (on a fully diluted basis) in NDTV Networks plc through a Netherlands based Subsidiary. The said stake is proposed to be divested at a price of US$ 150 million. The detailed terms of the same are being negotiated between the parties. The MOA also contemplates that NBCU will be granted an option to acquire additional stake of upto 24% in the Netherlands Subsidiary in the third year of the joint venture at the then fair market value of the shares, subject to receipt of all necessary consents and approvals.

On September, 25 2007, the Company launched a channel called NDTV Metronation (Delhi) that caters to viewers in Delhi and offers four broad genres of programming- News and Current Affairs, Lifestyle, Entertainment and programming for the Youth.

The Company has entered into a Joint Venture with Kasturi & Sons Limited, the publishers of the Chennai based English newspaper, The Hindu, to launch a Chennai Metronation channel to cater to the viewers in Chennai through a newly incorporated entity, "Metronation Chennai Television Private Limited", in which the Company holds 51%.

3. Sale of Investment in Astro Awani Networks Limited

In terms of the Board Resolution dated October 17, 2007 granting approval to sell its investment in Astro Awani Networks Limited, as part of the Company's plans to focus on increasing its presence in news-cum-entertainment channels across emerging markets, the Company has sold its investment to one of its subsidiaries NDTV Emerging Markets BV which is a 50:50 joint venture with NDTV Networks Plc, which is a wholly owned subsidiary of the Company. The excess of the sale price, being the fair market value arrived at on the basis of a valuation report by an independent valuer, over the cost of investment amounting to Rs 105,789 thousand has been recognised as profit on sale of investment.

4. Estimated amount of contracts remaining to be executed on capital account, not provided for (net of capital advances)

Amount (Rs.'000)

Particulars	**As at March 31, 2008**	**As at March 31, 2007**
On Letters of credit	18,508	97,874
On Others	179,699	134,939
Total	**198,207**	**232,813**

5. Contingent Liabilities not provided for in respect of:

i. During the year, NDTV Networks Plc. (NNPLC) has raised funds by issuing US $100 million convertible bonds due 2012. In connection with this, the Company has given an undertaking to provide a corporate guarantee for and on behalf of NNPLC, as and when required. The estimated potential dilution on conversion will be between 20% to 30%.

ii. Bank Guarantees issued for Rs. 3,736 thousand (Previous Year Rs 8,966 thousand). These have been issued in the ordinary course of business and no liabilities are expected.

iii. Claims against the Company not acknowledged as debts: Rs. 82,564 thousand (Previous Year Rs.82,564 thousand)

The Company had filed a suit for recovery of Rs. 66,861 thousand as its principal debt along with interest thereon against Doordarshan (DD) in the High Court of Delhi in February 1998 for various programmes produced and aired between 1994 and 1996. In its rejoinder during the suit proceedings, DD has admitted its debts of Rs.35,610 thousand only but has disputed the balance claim of Rs. 31,251 thousand and interest claimed. On the contrary, DD has claimed Rs 82,564 thousand - Rs.55,492 thousand towards telecast fee etc. against various programmes and Rs.27,072 thousand as interest thereon, which has not been accepted by the Company. The last hearing in the Court in the current fiscal year has been adjourned, at the request of the counsel of DD to settle between the parties through a mediation route.

Based on legal advice and existing contractual agreements with DD, the Company considers the outstanding debt from DD in its books as recoverable except for Rs.11,800 thousand, which has been provided for and no interest has been accrued on the outstanding amount.

iv. The Company has received legal notices of claims / lawsuits filed against it relating to infringement of copyrights, trademarks and defamation suits in relation to the programmes produced by it. In the opinion of the management supported by legal advice, no material liability is likely to arise on account of such claims/ law suits.

6. Deferred Taxes

Significant components of deferred tax assets and liabilities are shown in the following table:

Amount (Rs.'000)

	As at March 31, 2008	For the Year	As at March 31, 2007
Deferred tax assets on account of			
Accumulated Losses	82,911	–	82,911
Provision for Expenses	55,443	(18,390)	73,833
Provision for Doubtful Debtors	4,746	171	4,575
Provision for Doubtful Advances	1,236	–	1,236
Total deferred tax assets	**144,336**	**(18,219)**	**162,555**
Deferred tax liability on account of			
Depreciation	(78,671)	(51)	(78,620)
Total deferred tax liability	**(78,671)**	**(51)**	**(78,620)**
Net Deferred Tax Asset/ (Liability)	**65,665**	**(18,270)**	**83,935**

7. The business arrangements between the Company and its subsidiary, NDTV Media Limited relating to volume based incentives have been allied to revenue targets, consequent to which incentives amounting to Rs 54,617 thousand computed on an arms length basis have been absorbed by NDTV Media Limited in respect of current year. The corresponding amount charged in the Company's accounts in the previous year was Rs 31,512 thousand.

8. Quantitative details for Video tapes

	Year ended March 31, 2008		Year ended March 31, 2007	
	Quantity (in No's)	Amount (Rs.'000)	Quantity (in No's)	Amount (Rs.'000)
Opening Stock				
BETACAM	45	21	86	45
DVC	3,361	1,737	3,731	1,585
Purchases				
BETACAM	107	106	50	53
DVC	25,616	8,310	17,616	7,616
Consumed				
BETACAM	152	127	91	77
DVC	28,461	9,852	17,986	7,464
Closing Stock				
BETACAM	–	–	45	21
DVC	516	195	3,361	1,737

9. Consumption Details

For the year ended March 31, 2008

Particulars	Indigenous		Imported		Total	
	Quantity (Nos)	Amount (Rs.'000)	Quantity (Nos)	Amount (Rs.'000)	Quantity (Nos)	Amount (Rs.'000)
Tapes (Including VHS Tapes)	7,592	951	21,021	9,028	28,613	9,979
Stores & Spares	10,585	7,913	338	526	10,923	8,439

For the year ended March 31, 2007

Particulars	Indigenous		Imported		Total	
	Quantity (Nos)	Amount (Rs.'000)	Quantity (Nos)	Amount (Rs.'000)	Quantity (Nos)	Amount (Rs.'000)
Tapes (Including VHS Tapes)	1,485	384	17,112	7,196	18,597	7,580
Stores & Spares	10,452	8,542	2,682	2,913	13,134	11,455

10. Segment Reporting

The Company operates in the single primary segment of television media and accordingly, there is no separate reportable segment.

11. Related Party Transactions

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

Subsidiaries

NDTV Media Limited
NDTV News Limited.
NDTV Emerging Market BV (Formerly Emerging Market 24X7 BV)
NDTV BV (Formerly NDTV Networks BV)
NDTV Networks BV
NDTV Networks PLC
NDTV Convergence Limited
NDTV Imagine Limited
Alliance Lumiere Limited
Imagine Showbiz Limited
NDTV Imagine Films Limited
NDTV Labs Limited
NDTV Lifestyle Limited
Metronation Chennai Television Private Limited

Joint Venture

NGEN Media Services Private Limited

Associate (Investment sold to NDTV Emerging Market BV on March 30, 2008)

Astro Awani Networks Limited

Key Management Personnel and their relatives

Dr. Prannoy Roy	Chairman
Radhika Roy	Managing Director
K.V.L. Narayan Rao	Director
Renu Rao	Wife of a Director

II. Disclosure of Related Party Transactions:

Details of transactions in the ordinary course of business for the year ended March 31, 2008

Amount (Rs. '000)

S.No.	Nature of relationship / transaction	Subsidiary Companies	Associate	Key Management Personnel	Relatives	Total
1	Rendering of services	5,356	11,977	–	–	17,333
2	Interest income	82	–	–	–	82
3	Trade Mark / Royalty Received	951	–	–	–	951
4	Services Availed of	456,164 [1]	–	–	–	456,164
5	Remuneration Paid (Refer Note 13 (i) below)	–	–	31,770	2,677	34,447
6	Payment made on behalf of others	242,022	12,413	–	–	254,435
7	ESOP cost recovered in respect of employees under dual employment	16,650	–	–	–	16,650
8	Rent	1,800	–	–	–	1,800
9	Shared service Income	210,578	–	–	–	210,578
10	Rental income	8,641	–	–	–	8,641
11	Sale of Investment in Associate	115,681	–	–	–	115,681
12	Programme purchased	14,941	–	–	–	14,941
13	Loan given	4,500	–	–	–	4,500
14	Loan Received back	4,500	–	–	–	4,500
15	Equity contribution	5,204	–	–	–	5,204

Details of transactions in the ordinary course of business for the year ended March 31, 2007

Amount (Rs. '000)

S.No.	Nature of relationship / transaction	Subsidiary Companies	Associate	Key Management Personnel	Relatives	Total
1	Rendering of services	16,551	11,305	–	–	27,856
2	Interest Received	998	–	–	–	998
3	Trade Mark / Royalty Received	220	–	–	–	220
4	Services Availed of	380,601[1]	–	–	–	380,601
5	Remuneration Paid (Refer Note 12 (i) below)	–	–	25,339	4,284	29,623
6	Payment made on behalf of others	17,241	4,143	–	–	21,384
7	Reimbursement of expenses incurred on our behalf	1,274	–	–	–	1,274
8	Management Cost Recovered [2]	58,049	–	–	–	58,049
9	Other costs Recovered [2]	12,710	–	–	–	12,710
10	Assets purchased	795	–	–	–	795
11	Assets sold	35,304	–	–	–	35,304
12	Current Assets transferred	1,350	–	–	–	1,350
13	Liabilities transferred	3,401	–	–	–	3,401
14	Loan given	93,039	–	–	–	93,039
15	Loan Received back	93,039	–	–	–	93,039
16	Equity contribution	6,365	9,891	–	–	16,256

[1] Includes commission to NDTV Media Limited Rs. 455,213 thousand (Previous year Rs. 375,075 thousand)

[2] Being management and other direct costs recovered from subsidiaries towards new business initiative

III. Amount due to/from related parties

Amount due to/from related parties as on March 31, 2008 **Amount (Rs. '000)**

S.No.	Nature of relationship / transaction	Subsidiary Companies	Associate	Key Management Personnel	Relatives	Total
	Debit balances outstanding as on 31 March 2008					
1	Outstanding Advances	9,078	18,259	2,399	249	29,985
2	Outstanding Receivable	177,596	93	–	–	177,689
	Credit balances outstanding as on 31 March 2008					
1	Outstanding Payable	291,538	–	976	–	292,514

Amount due to/from related parties as on March 31, 2007 **Amount (Rs. '000)**

S.No.	Nature of relationship / transaction	Subsidiary Companies	Associate	Key Management Personnel	Relatives	Total
	Debit balances outstanding as on 31 March 2007					
1	Outstanding Advances	21,348	5,846	959	44	28,197
2	Outstanding Receivable	–	2,759	–	–	2,759
	Credit balances outstanding as on 31 March 2007					
1	Outstanding Payable	251,043	–	–	–	251,043

IV. Other Key Agreements

The Company in order to leverage the existing resources and ensuring economies of scale has entered into agreements with its subsidiaries, NDTV Network Plc (NNPLC), NDTV Imagine Limited (Imagine), NDTV Convergence Limited (Convergence), NDTV Labs Limited (Labs) and NDTV Lifestyle Limited (Lifestyle). The key agreements that the Companies have entered into are:

a) **Co-operation agreement** under which the Companies have mutually agreed to grant exclusive royalty free license to use any programme footage or news content whether created or owned by one of the licensee Companies for up to three minutes subject to such footage being used in a NDTV branded Channel and has also granted right of first refusal to the others with respect to licensing of distribution rights to any programme or news content except for programmes which are made specifically for a third party.

Further all these Companies have agreed to allocate a specified time for promotion of each other at no consideration.

b) **Shared Services Agreements** under which the Company has agreed to provide specified shared services on an arms' length basis. Separate service level agreements (SLA) have been entered with all the companies for providing finance and accounting, MIS, Legal and Regulatory Compliance, Human Resource, Satellite Up-linking services etc, at a consideration also at arms length to be ascertained for each specific service.

12. Directors' Remuneration

(i) Wholetime Directors' Remuneration

Amount (Rs.'000)

	Year ended March 31, 2008	**Year ended March 31, 2007**
Salary and Other Allowances	18,636	17,478
Contribution to Provident and Other Funds	1,444	1328
Ex gratia	75	75
Perquisites	435	338
Employee Stock Compensation Expense[3]	11,180	6,120
Total	**31,770** [2, 4]	**25,339** [1]

[1] Includes Remuneration amounting to Rs. 1,630 thousand paid to Directors that exceeds the minimum remuneration payable in case of inadequacy of profits, subject to Central Government's Approval.

[2] Includes Remuneration amounting to Rs. 9,684 thousand paid to Directors that exceeds the minimum remuneration payable in case of inadequacy of profits, subject to Central Government's Approval.

[3] The company has granted 100,000 stock options to a wholetime director subject to approval from the shareholders.

[4] In addition, Directors' have received Director fees from its subsidiary company NDTV Networks Plc amounting to Rs 11,025 thousand (previous year Rs Nil).

Amount (Rs.'000)

		Year ended March 31, 2008	**Year ended March 31, 2007**
(ii)	Sitting fees	560	450
(iii)	Non- Executive Directors' Remuneration	2500[6]	2,500[5]

[5] Payment made to Non-Executive Directors for the year ended March 31, 2006 for which Company has obtained Central Government and shareholder's approval.

[6] Payment made to Non-Executive Directors for the year ended March 31, 2007 for which Company has obtained Central Government and shareholder's approval.

13. Auditor's Remuneration

Amount (Rs.'000)

Description	Year ended March 31, 2008	Year ended March 31, 2007
As Auditors, including quarterly audits	3,500	2,900
Out-of-pocket-expenses	325	18
Total [5]	**3,825**	**2,918**

[5] Excluding service tax

14. Earnings / (Loss) per share (EPS)

Description	Year ended March 31, 2008	Year ended March 31, 2007
Number of equity shares outstanding at the beginning of the year (Nos.)	62,457,007	60,802,632
Add: Fresh issue of equity shares (Nos)	124,460	1,654,375
Number of equity shares outstanding at year end (Nos.)	62,581,467	62,457,007
Weighted average number of Equity Shares outstanding during the year for Basic EPS (Nos.)	62,524,473	61,173,572
Adjustment for dilutive effect of share options granted	2007,792	–
Weighted average number of Equity Shares outstanding during the year for Diluted EPS (Nos.)	64,532,265	–
Profit / (loss) attributable to Equity Shareholders (Rs.)	42,800,122	(68,919,304)
Basic Earnings per Equity Share (Rs.)	0.68	(1.13)
Diluted Earnings per Equity Share (Rs.)	0.66	(1.13) [1]
Nominal Value per share (Rs)	4	4

[1] Potential conversion of the stock options granted is anti-dilutive and accordingly, has not been considered in the calculation of diluted earning/ (loss) per share.

15. Operating Leases

i) The Company has taken various residential/commercial premises/Vehicles under cancellable operating leases.

ii) The rental expense for the current year, in respect of operating leases was Rs. 102,826 thousand (Previous Year Rs 78,990 thousand).

iii) The Company has also taken residential/commercial premises on lease which are non-cancellable period. The future minimum lease payments in respect of such leases are as follows:

Amount (Rs.'000)

Particulars	As at March 31, 2008	As at March 31, 2007
Payable not later than 1 year	13,243	–
Payable later than 1 year and not later than 5 year	6,518	–
Payable later than five year	–	–
Total minimum lease payments	**19,761**	–

16. Earnings in Foreign Currency (On Cash Basis)

Amount (Rs.'000)

Particulars	Year ended March 31, 2008	Year ended March 31, 2007
Advertisement Revenue	17,399	30,780
Subscription Revenue	51,182	31,928
Other Business Income – Consultancy fees etc.	14,550	15,689
Total	**83,131**	**78,397**

17. CIF value of imports

Amount (Rs.'000)

Particulars	**Year ended March 31, 2008**	**Year ended March 31, 2007**
Capital Goods	219,282	166,477
Equipments stores and spares	13,640	6,658
Video Tapes	4,020	6,062
Total	**236,942**	**179,197**

18. Expenditure in Foreign Currency (On cash basis)

Amount (Rs.'000)

Particulars	**Year ended March 31, 2008**	**Year ended March 31, 2007**
Subscription, Uplinking and news service charges	105,569	70,313
Travelling expenses	24,891	22,462
Consultancy and Professional fees	35,147	33,366
Other expenses (including production expenses, hire charges etc)	7,862	34,581
Total	**173,469**	**160,722**

19. The Company has accounted for the long term defined benefits and contribution schemes as under :

(A) Defined Benefits Scheme

The Company provides for long term defined benefit schemes of gratuity on the basis of actuarial valuation on the balance sheet date based on the Projected Unit Credit Method. In respect of gratuity, the Company funds the benefits through annual contributions to Life Insurance Corporation of India (LIC). The actuarial valuation of the liability towards the Gratuity Retirement benefits of the employees is made on the basis of certain assumptions with respect to the variable elements affecting the computations including estimation of interest rate of earnings on contributions to LIC. The Company recognises the actuarial gains and losses in the profit & loss account as income and expense in the period in which they occur.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

Amount (Rs.'000)

		For the Year ended March 31, 2008	**For the Year ended March 31, 2007**
I	**Changes in the Present value of the Obligation:**		
	Obligations at year beginning	63,134	52,934
	Service Cost – Current	11,755	7,996
	Interest Cost	5,051	4,235
	Actuarial (gain) / loss	(7,019)	(189)
	Benefit Paid	(2,989)	(1,842)
	Obligations at year end	69,932	63,134

Amount (Rs.'000)

		For the Year ended March 31, 2008	For the Year ended March 31, 2007
II	**Change in plan assets:**		
	Plan assets at year beginning, at fair value	44,827	40,863
	Expected return on plan assets	4,146	3,678
	Actuarial gain / (loss)	169	(30)
	Contributions	4,022	2,158
	Benefits paid	(2,989)	(1,842)
	Plan assets at year end, at fair value	50,175	44,827
III	**Reconciliation of present value of the obligation and the fair value of the plan assets:**		
	Present value of the defined benefit obligations at the end of the year	69,932	63,134
	Fair value of the plan assets at the end of the year	50,175	44,827
	Liability recognised in the Balance Sheet	19,757	18,307
IV	**Defined benefit obligations cost for the year**		
	Service Cost – Current	11,755	7,996
	Interest Cost	5,051	4,235
	Expected return on plan assets	(4,146)	(3,678)
	Actuarial (gain) / loss	(7,188)	(159)
	Net defined benefit obligations cost	5,472	8,394
V	**Investment details of plan assets**		
	100% of the plan assets are lying in the Gratuity fund administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme.		
VI	**The principal assumptions used in determining post-employment benefit obligations are shown below**:		
	Discount Rate	8%	8%
	Future salary increases	5.5%	5.5%
	Expected return on plan assets	9.25%	9%
	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The demographic assumptions were as per the published rates of "Life Insurance Corporation of India (1994-96) Mortality Table (ultimate), which is considered a standard table.		

(B) State Plans:

The Company deposits an amount determined at a fixed percentage of Basic pay every month to the state administered provident fund for the benefit of the employees. Accordingly, the Company's contribution during the year that has been charged to revenue amounts to Rs 50,604 thousand (Previous Year Rs. 45,620 thousand).

20. Figures of the previous year have been restated, regrouped or reclassified wherever necessary to conform to current year's figures.

Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies:

1	Name of the subsidiary	NDTV Media Limited	NDTV News Limited	NDTV Imagine Limited	NDTV Lifestyle Limited	NDTV Convergence Limited	NDTV Labs Limited	NDTV Networks Plc
2	Capital	11,303,000	500,000	44,182,800	55,601,020	602,430	500,020	4,577,275
3	Reserves	315,571,995	10,316,996	–	–	–	–	823,177,980
4	Total Assets	530,363,823	121,656,695	2,316,666,315	377,826,880	107,847,423	61,129,111	4,942,888,795
5	Total Liabilities	530,363,823	121,656,695	2,316,666,315	377,826,880	107,847,423	61,129,111	4,942,888,795
6	Investments	–	51,099,430	45,634,960	–	–	–	2,169,321,345
7	Turnover	488,226,767	1,800,000	228,894,844	125,308,752	49,128,910	5,645,430	160,593,851
8	Profit before Taxation	84,676,364	4,332,046	(1,235,072,963)	(171,838,967)	(54,749,952)	(30,621,299)	(253,022,874)
9	Provision for Taxation	33,087,229	1,780,123	2,732,553	865,695	318,697	221,154	–
10	Profit after taxation	51,589,135	2,551,923	(1,237,805,516)	(172,704,662)	(55,068,649)	(30,842,453)	(253,022,874)
11	Proposed Dividend	–	–	–	–	–	–	–

1	Name of the subsidiary	NDTV BV (previously NDTV Network BV)	NDTV Emerging Markets BV (previously Emerging Markets 24x7 BV)	NDTV Networks BV	Alliance Lumiere Limited (Formerly Alliance Lumiere Private Limited)	Imagine Showbiz Limited	NDTV Imagine Films Limited	Metronation Chennai Television Private Limited
2	Capital	5,745,960	1,035,000	1,081,223	3,000,000	6,214,285	500,000	10,204,080
3	Reserves	–	–	–	35,999,970	34,285,715	–	–
4	Total Assets	28,874,638	237,514,433	2,421,400	59,896,618	52,594,696	639,109	14,030,023
5	Total Liabilities	28,874,638	237,514,433	2,421,400	59,896,618	52,594,696	639,109	14,030,023
6	Investments	5,440,114	143,287,759	–	–	–	–	–
7	Turnover	3,193	1,205	–	–	300,000	–	31,473
8	Profit before Taxation	(14,747,425)	(34,960,694)	(1,268,110)	(15,275,898)	(8,798,662)	(139,109)	(5,924,952)
9	Provision for Taxation	–	–	–	–	–	–	–
10	Profit after taxation	(14,747,425)	(34,960,694)	(1,268,110)	(15,275,898)	(8,798,662)	(139,109)	(5,924,952)
11	Proposed Dividend	–	–	–	–	–	–	–

For and on behalf of the Board

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

Place : New Delhi
Date : April 16, 2008

New Delhi Television Limited

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details :

Registration No.	U92111DL1988PLC033099
State Code :	55
Balance Sheet Date :	31 (Date) 03 (Month) 2008 (Year)

II. Capital Raised During the Year (Amount in Rs. Thousands)

Public Issue :	NIL	**Rights Issue :**	NIL
Bonus Issue :	NIL	**Private Placement :**	NIL
Preferential Offer of Shares under Employee Stock Option Plan Scheme*	498		

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities :	4245690	**Total Assets :**	4245690
Source of Funds			
Paid-up-Capital :	250326	Reserves & Surplus :	2121624
Secured Loans :	801825	Unsecured Loans :	128327
Deferred tax liability :	NIL		
Application of Funds			
Net Fixed Assets :	1720626	Investments :	401401
Deferred Tax Assets :	65665	Net Current Assets :	1114409
Misc. Expenditure :	NIL	Accumulated Losses :	NIL

IV. Performance of Company (Amount in Rs. Thousands)

Turnover :	3184989	Total Expenditure :	3093128
Profit/(Loss) before Tax :	91861	Profit/(Loss) after tax :	42800
Earning Per Share (Rs.)	0.68	Dividend Rate (%) :	20%

V. Generic Names of Three Principal Products / Services of the company (as per monetary terms)

Item Code No. (ITC Code)	NA
Product Description	PRODUCTION AND BROADCASTING OF TELEVISION SOFTWARE

*Issue of shares arising on the exercise of options granted to employees under the Company's ESOP 2004 Plan.

For and on behalf of the Board

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

Place : New Delhi
Date : April 16, 2008

New Delhi Television Limited
Consolidated Financial Statements

Report of the auditors to the Board of Directors of New Delhi Television Limited on the consolidated financial statements of New Delhi Television Limited and its subsidiaries

1. We have audited the attached consolidated Balance Sheet of New Delhi Television Limited and its subsidiaries as at March 31, 2008, the consolidated Profit and Loss Account for the year ended on that date annexed thereto, and the consolidated Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These consolidated financial statements are the responsibility of Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of New Delhi Television Limited and its subsidiaries included in the consolidated financial statements.

4. *We refer to note on B-13(b) of Schedule 22 regarding managerial remuneration amounting to Rs 23,800 thousand for the current year and Rs. 1,630 thousand for the previous year paid to the directors of the Company and its subsidiaries, is subject to approval by the Central Government. Additionally, employee stock options granted to one of the directors included above is further subject to the approval by the shareholders.*

   In the event that the Central Government approval is not received, these amounts are to be refunded by such directors. This would then result in the Loss after Taxation for the year to be Rs. 1,860,944 thousand (as against the reported figure of Rs.1,885,878 thousand), debit balance of Profit and Loss Account to be Rs.1,711,032 thousand (as against the reported figure of Rs.1,735,966 thousand), Net Current Assets to be Rs.3,773,888 thousand (as against the reported figure of Rs.3,756,525 thousand), Employee Stock Options Outstanding to be Rs.329,177 thousand (as against the reported figure of Rs.337,244 thousand).

5. On the basis of the information and explanations given to us and on consideration of the separate audit reports of individual audited financial statements of New Delhi Television Limited and its aforesaid subsidiaries, and subject to our comments in paragraph 4 above in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

   (i) in the case of the consolidated Balance Sheet, of the consolidated state of affairs of New Delhi Television Limited and its subsidiaries as at March 31, 2008;

   (ii) in the case of the consolidated Profit and Loss Account, of the consolidated results of operations of New Delhi Television Limited and its subsidiaries for the year ended on that date; and

   (iii) in the case of the consolidated Cash Flow Statement, of the consolidated cash flows of New Delhi Television Limited and its subsidiaries for the year ended on that date.

Kaushik Dutta
Partner
Membership Number: F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Dated : April 16, 2008

New Delhi Television Limited

Consolidated Balance Sheet as at March 31, 2008

	Schedule		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
Sources of Funds					
Shareholders' Funds					
Capital	1	250,325,868		249,828,028	
Employee Stock Options Outstanding	2	337,244,723		232,091,987	
Reserves & Surplus	3	2,482,403,333	3,069,973,924	2,708,691,108	3,190,611,123
Minority Interest			123,895,968		69,426,906
Secured Loan	4		802,366,322		174,748,224
Unsecured Loan	5		4,118,327,208		–
			8,114,563,422		**3,434,786,253**
Application of Funds					
Fixed Assets					
Gross Block	6	2,849,252,086		2,103,210,765	
Less : Depreciation		1,069,261,619		846,884,914	
Net Block		1,779,990,467		1,256,325,851	
Capital Work in Progress		282,364,148		146,400,098	
			2,062,354,615		1,402,725,949
Deferred Tax Asset (Net) (Note B-11 on Schedule-22)			63,649,791		81,590,802
Investments	7		322,050,430		131,333,196
Current Assets, Loans and Advances					
Inventories	8	190,593,927		23,093,367	
Sundry Debtors	9	1,643,334,075		1,060,795,983	
Cash and Bank Balances	10	2,581,245,754		807,598,685	
Other Current Assets, Loans and Advances	11	1,006,882,289		479,877,538	
		5,422,056,045		2,371,365,573	
Less : Current Liabilities and Provisions					
Current Liabilities	12	1,574,794,753		468,933,598	
Provisions	13	90,735,409		83,295,669	
		1,665,530,162		552,229,267	
Net Current Assets			3,756,525,883		1,819,136,306
Profit and Loss Account			1,735,966,052		–
Miscellaneous Expenditure	14		174,016,651		–
			8,114,563,422		**3,434,786,253**
Significant Accounting Policies and Notes to the Accounts	22				

This is the Consolidated Balance Sheet referred to in our report of even date

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Date : April 16, 2008

The schedules referred to above form an integral part of the Consolidated Balance Sheet

For and on behalf of the Board

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

New Delhi Television Limited

Consolidated Profit and Loss Account for the year ended March 31, 2008

	Schedule		For the year ended March 31, 2008 Amount (Rs.)		For the year ended March 31, 2007 Amount (Rs.)
Income					
Business Income					
– Advertising Revenue	15		3,180,927,366		2,468,635,097
– Other	16		480,415,269		315,822,384
Other Income	17		218,057,932		12,413,713
			3,879,400,567		**2,796,871,194**
Expenditure					
Production Expenses	18		1,216,548,470		533,032,062
Personnel Expenses					
– Salaries & Other Benefits	19	1,472,486,809		890,383,556	
– Sales Incentives		102,577,135	1,575,063,944	81,135,638	971,519,194
Operations & Administration Expenses	20		992,448,079		570,538,444
Marketing, Distribution & Promotion Expenses			1,255,981,577		407,177,675
Miscellaneous Expenditure Written Off			17,204		228,254
			5,040,059,274		**2,482,495,629**
Profit Before Interest, Depreciation, Tax and Employee Stock Compensation Expense			**(1,160,658,707)**		**314,375,565**
Interest and Financial Charges	21		241,888,954		10,489,554
Depreciation	6		230,875,096		188,862,181
Profit Before Tax, Employee Stock Compensation Expense, Share of Minority and Share in Profit of Associate			**(1,633,422,757)**		**115,023,830**
Employee Stock Compensation Expense (Note B-7 on Schedule 22)			134,993,278		356,138,062
Tax Expense					
– Current Tax		39,043,771		34,731,557	
– Tax for Earlier Years written back		33,156		(6,777,610)	
– Deferred Tax (Note B-11 on Schedule 22)		17,941,011		(145,480,553)	
– Fringe Benefit Tax		31,226,006	88,243,944	20,906,049	(96,620,557)
Net Profit/ (Loss) After Tax Before Share of Minority and Share in Profit of Associate			**(1,856,659,979)**		**(144,493,675)**
Share of Minority (Note B-2 on Schedule 22)			2,114,983		(24,184,737)
Share In Profit/(Loss) of Associate			(31,333,196)		21,441,321
Net Profit/(Loss) After Tax			**(1,885,878,192)**		**(147,237,091)**
Previous Year Balance Brought Forward			**208,533,685**		**414,228,037**
Amount available for appropriations			**(1,677,344,507)**		**266,990,946**
Appropriations					
Proposed Dividend			50,106,043		49,965,606
Corporate Dividend Tax			8,515,502		8,491,655
Profit Carried Forward			(1,735,966,052)		208,533,685
			(1,677,344,507)		**266,990,946**
Earnings Per Share - Basic and Diluted (Note B-15 on Schedule 22)			**(30.16)**		**(2.41)**
Significant Accounting Policies and Notes to the Accounts	22				

This is the Consolidated Profit and Loss Account referred to in our report of even date

The schedules referred to above form an integral part of the Consolidated Profit and Loss Account

For and on behalf of the Board

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

Place : New Delhi
Date : April 16, 2008

New Delhi Television Limited

Consolidated Cash flow statement for the year ended March 31, 2008

		For the year ended March 31, 2008 Amount (Rs.)	For the year ended March 31, 2007 Amount (Rs.)
A.	**Cash flow from operating activities:**		
	Net (loss)/profit before tax , share of minority and share in profit of associate but after Employee Stock Compensation Expense	(1,768,416,035)	(241,114,232)
	Adjustments for:		
	Depreciation	230,875,096	188,862,181
	Interest Expense	241,888,954	10,489,554
	Interest Income	(175,413,046)	(8,617,069)
	Employee Stock Compensation Expense	134,993,278	356,138,062
	(Profit)/Loss on Fixed Assets sold / Assets written off	(1,114,782)	10,666,877
	Debts / Advances Written off	7,542,111	5,417,275
	Provision for Bad & Doubtful Debts/Advances	3,113,824	4,000,000
	Liability no longer required written back	(5,532,501)	–
	Provision for Gratuity & Leave Encashment	4,759,775	9,771,603
	Unrealised Foreign exchange (Gain/ (Loss))	–	(773,825)
	Barter Income	(171,755,266)	(129,810,305)
	Barter Expenditure	119,486,031	64,147,412
	Tax Deducted at Source on Service Income	(145,522,808)	(62,036,346)
	Miscellaneous Expenditure Written Off	35,704,378	228,254
	Operating profit before working capital changes	**(1,489,390,991)**	**207,369,441**
	Adjustments for changes in working capital :		
	– (Increase)/Decrease in Sundry Debtors	(593,194,027)	84,433,796
	– (Increase)/Decrease in Other Receivables	(359,915,474)	(181,877,682)
	– (Increase)/Decrease in Inventories	(167,500,560)	13,302,616
	– Increase/(Decrease) in Trade and Other Payables	1,101,991,667	(70,990,482)
	Cash generated from operations	**(1,508,009,385)**	**52,237,689**
	– Taxes (Paid) / Received (net of TDS)	4,122,198	(38,702,220)
	– Fringe Benefit Tax (Paid)/ Received	(43,284,890)	(20,270,490)
	Net cash used in operating activities	**(1,547,172,077)**	**(6,753,021)**
B.	**Cash flow from Investing activities:**		
	Purchase of fixed assets	(881,209,249)	(425,504,729)
	Proceeds from sale of fixed assets	2,897,376	3,388,638
	Miscellaneous expenditure incurred	(209,721,029)	(184,514)
	Interest received (Revenue)	121,132,207	10,232,271
	Sale of investments	100,000,000	–
	Purchase of investments	(322,050,430)	(9,891,875)
	Net cash used in investing activities	**(1,188,951,125)**	**(421,960,209)**

New Delhi Television Limited

Consolidated Cash flow statement for the year ended March 31, 2008

		For the year ended March 31, 2008 Amount (Rs.)	For the year ended March 31, 2007 Amount (Rs.)
C.	**Cash flow from financing activities:**		
	Proceeds from fresh issue of Share Capital (including Securities Premium)	497,840	873,963,250
	Proceeds from Minority	51,994,060	2,433,055
	Proceeds from term loan	633,868,098	174,748,224
	Repayment of term loan	(6,250,000)	–
	Proceeds from issue of step up coupon convertible bonds due 2012	4,050,916,500	–
	Proceeds from unsecured loan	12,8327,208	–
	Interest Paid	(187,345,996)	(10,489,554)
	Dividend Paid	(41,497,899)	(48,642,106)
	Dividend Tax Paid	(17,007,177)	(6,822,055)
	Net cash generated/ (used) in financing activities	**4,613,502,634**	**985,190,814**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**1,877,379,432**	**556,477,584**
	Opening Cash and cash equivalents	**807,598,685**	**250,347,276**
	Closing Cash and cash equivalents [4]	**2,684,978,117**	**806,824,860**
	Cash and cash equivalents comprise [4]		
	Cash in hand	3,413,473	929,364
	Balance with Current and Deposit Accounts	2,577,832,281	806,669,321
		2,581,245,754	**807,598,685**
	Unrealised Foreign exchange (Gain/(Loss))	103,732,363	(773,825)
		2,684,978,117	**806,824,860**

Notes :

1 The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.

2 Figures in brackets indicate cash outgo.

3 Following non cash transactions have not been considered in the cash flow statement.
   – Tax deducted at source (on income)
   – Barter Transactions

4 Includes fixed deposit under lien Rs. 23,635,000 (Previous year Rs. 15,033,225) against letter of credit issued and Rs. 12,160,500 (Previous year Rs. 9,190,500) pledged against bank guarantees.

5 Previous year's figures have been restated, regrouped or reclassified wherever necessary to conform to current year's grouping and classification.

This is the Consolidated Cash Flow Statement referred to in our report of even date

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Place : New Delhi
Date : April 16, 2008

For and on behalf of the Board

Dr. Prannoy Roy
Chairman

Radhika Roy
Managing Director

Rajiv Mathur
Company Secretary

Saurav Banerjee
Chief Financial Officer

New Delhi Television Limited

Schedules to the Consolidated Balance Sheet

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)

Schedule - 1
Capital

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
Authorised :		
87,500,000 Equity Shares of Rs.4/- each (Previous Year 68,750,000 Equity Shares of Rs 4/- each)	**350,000,000**	**275,000,000**
Issued, Subscribed & Paid Up : [1]		
62,581,467 Equity Shares of Rs.4/- each (Previous Year 62,457,007 Equity Shares of Rs 4/- each)	250,325,868	249,828,028
	250,325,868	**249,828,028**

[1] Out of the above:

(a) 7,509,870 (Previous Year - 7,509,870) Equity Shares of Rs. 4/- each were allotted as fully paid up by way of Bonus Shares by capitalisation of Profits and Revaluation Reserve.

(b) 33,651,690 (Previous Year -33,651,690) Equity Shares of Rs. 4/- each were allotted as fully paid up by way of Bonus Shares by capitalisation of Securities Premium.

(c) 9,077,528 (Previous Year -9,077,528) Equity Shares of Rs. 4/- each were allotted as fully paid up pursuant to a contract without payment being received in cash.

(d) 1,778,835 (Previous Year 1,654,375) Equity shares of Rs. 4/- each allotted to employees of the company on exercise of the vested stock options under Employee Stock Option Plan - ESOP 2004 of the Company (Note B-7(a) on Schedule 22)

Schedule - 2
Employee Stock Options Outstanding

(Note B-7 on Schedule 22)

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
Stock options outstanding	470,882,151	452,239,597
Less: Deferred employee compensation expense	133,637,428	220,147,610
	337,244,723	**232,091,987**

New Delhi Television Limited

Schedules to the Consolidated Balance Sheet

Schedule - 3
Reserves & Surplus

		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
Securities Premium Account				
Opening Balance	2,447,250,073		1,202,879,608	
Additions during the year [1]	64,280,527		1,252,936,788	
Less: Share of Minority	(34,439,985)		(8,566,323)	
Closing Balance		2,477,090,615		2,447,250,073
General Reserve				
Opening Balance	52,701,570		52,701,570	
Additions/Deletions during the year	–		–	
Closing Balance		52,701,570		52,701,570
Capital Reserve [2]		205,780		205,780
Currency Translation Reserve (Note A-10 on schedule 22)		(47,594,632)		–
Profit and Loss Account		–		208,533,685
		2,482,403,333		**2,708,691,108**

[1] Includes Rs.29,840,542 (Previous year Rs. 385,591,038) on exercise of employee stock options in New Delhi Television Limited and NDTV Media Limited and;
Rs. Nil (Previous year Rs. 867,345,750) on issue of 25575 'A' Preference shares of GBP 0.10 each by NDTV Networks Plc.

[2] Being excess of the Company's share in the net assets in NDTV News Limited over its investments as at the date of acquisition.

Schedule - 4
Secured Loans

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
From a Bank		
– Term Loans [1,3,5]	290,300,577	75,231,000
– Working Capital Loan [2,3]	511,524,174	99,517,224
– Finance Lease Liabilities [4]	541,571	–
	802,366,322	**174,748,224**

[1] Out of the above:
- Rs. 133,700,577 (Previous year Rs. 22,131,000) secured by the hypothecation of specific Plant and Machinery acquired / to be acquired against the aforesaid loan and also against existing Plant and Machinery.
- Rs. 156,600,000 (Previous year Rs. 53,100,000) secured by charge created on building acquired against the aforesaid loan

[2] Secured by way of charge created on all current and future book-debts of the Company

[3] Further the loans are also secured by way of charge created over the specified properties of the Company situated at New Delhi & Mumbai

[4] Secured by hypothecation of leased vehicles (Note B-17 on Schedule 22)

[5] Term loans repayable within a year Rs. 101,670,000 (Previous year Rs. 6,250,000)

Schedule - 5
Unsecured Loans

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
From a Bank		
– Working Capital Loan	128,327,208	–
– Step Up Coupon Convertible Bonds due 2012 (Note B-5 on Schedule 22)	3,990,000,000	–
	4,118,327,208	–

New Delhi Television Limited

Schedules to the Consolidated Accounts

Schedule - 6 Fixed Assets

(Note A-2, 3,4,5 & 15 and B-3 & 17 on Schedule 22)

Amount (Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	As at April 01, 2007	Additions During the Year [7]	Deletion/ Adjust-ments	As at March,31 2008	As at April 01, 2007	Provided During the Year	On Deduc-tions	Upto March 31, 2008	As at March 31, 2008	As at March 31, 2007
Goodwill	–	4,589,985	–	4,589,985	–	–	–	–	4,589,985	–
Intangible assets										
Website	21,379,236	–	–	21,379,236	21,379,236	–	–	21,379,236	–	–
Computer Software	22,717,489	23,622,504	–	46,339,993	4,905,628	5,208,656	–	10,114,284	36,225,709	17,811,861
Technical Knowhow	1,500,000	–	–	1,500,000	972,950	300,000	–	1,272,950	227,050	527,050
Tangible assets										
Building [1]	92,074,903	–	–	92,074,903	12,060,701	2,239,806	–	14,300,507	77,774,396	80,014,202
Plant & Machinery										
Plant & Machinery (Main)[2]	1,359,887,014	415,248,578	–	1,775,135,592	550,953,252	134,321,999	–	685,275,251	1,089,860,341	808,933,762
Plant & Machinery (Other)	64,069,060	26,018,469	–	90,087,529	27,314,403	6,539,900	–	33,854,303	56,233,226	36,754,657
Computers	175,307,157	76,886,323	296,704	251,896,776	101,182,399	23,691,704	33,735	124,840,368	127,056,408	74,124,758
Office Equipment [3]	33,758,453	28,268,530	135,729	61,891,254	21,954,659	6,256,984	51,569	28,160,074	33,731,180	11,803,794
Furniture & Fixtures	96,893,381	158,620,951	12,960	255,501,372	51,985,145	16,506,120	12,312	68,478,953	187,022,419	44,908,236
Vehicles-Owned [4]	215,624,072	22,416,300	9,835,592	228,204,780	50,083,015	34,556,726	8,400,775	76,238,966	151,965,814	165,541,057
Vehicles-Leased	–	650,667	–	650,667	–	135,556	–	135,556	515,111	–
Helicopter [5]	20,000,000	–	–	20,000,000	4,093,526	1,117,646	–	5,211,172	14,788,828	15,906,474
TOTAL	**2,103,210,765**	**756,322,306**	**10,280,985**	**2,849,252,086**	**846,884,914**	**230,875,096**	**8,498,391**	**1,069,261,619**	**1,779,990,467**	**1,256,325,851**
Previous Year	1,792,800,199	406,261,778	95,851,212	2,103,210,765	739,818,430	188,862,181	81,795,697	846,884,914	1,256,325,851	–
Capital Work in Progress [6]	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**282,364,148**	**146,400,098**

1 Includes land appurtenant to the buildings acquired.
2 Gross Block includes assets aggregating Rs. Nil (Previous Year Rs. 5,059,621) purchased under barter arrangements during the year.
3 Gross Block includes assets aggregating Rs. 1,320,003 (Previous Year Rs. 848,972) purchased under barter arrangements during the year.
4 Gross Block includes assets aggregating Rs. 5,167,119 (Previous Year Rs. 70,287,289) purchased under barter arrangements during the year.
5 Title and ownership is as confirmed by Deccan Aviation Limited.
6 Includes an amount of Rs. 270,484,770 (Previous Year Rs. 93,862,659) towards Capital Advances.
7 Consequent to the notification of AS-11 'The Effects of Changes in Foreign Exchange Rates' under section 211 (3C) of the Companies Act,1956, the company has charged to profit & loss account, the exchange fluctuation on liabilities incurred for acquisition of fixed assets outside India. The above change does not have any material effect on the financial statements for the year ended March 31, 2008. In the previous year, additions include adjustments on account of exchange fluctuation (net) Rs. 197,571.

New Delhi Television Limited

Schedules to the Consolidated Balance Sheet

Schedule - 7
Investments

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
(Note A-14 & B-2 & 8 on Schedule 22)		
(Long Term, Trade, Unquoted, at Cost)		
Asia Radio Broadcast Private Limited	–	10,000,000
(1,000,000 equity shares of Rs 10 each fully paid up)		
Pioneer Radio Trading Services Private Limited	–	10,000,000
(1,000,000 equity shares of Rs 10 each fully paid up)		
Optimum Media Services Private Limited	–	10,000,000
(1,000,000 equity shares of Rs 10 each fully paid up)		
South Asia FM Limited	51,099,430	–
(5,109,943 equity shares of Rs 10 each fully paid up)		
Share Application Money		
– Asia Radio Broadcast Private Limited	–	20,000,000
– Pioneer Radio Trading Services Private Limited	–	25,000,000
– Optimum Media Services Private Limited	–	25,000,000
Associate Company		
Astro Awani Network Limited	–	31,333,196
(2,12,500 Equity Shares of USD 1/- each fully paid up)		
(Previous Year 2,12,500 Equity Shares)		
(Capital Reserve on acquisition Rs. 127,78,201)		
Others		
– Delhi Stock Exchange	20,951,000	–
(299,300 Equity Shares of Rs. 1/- per share fully paid up (Previous year Rs. Nil))		
– Share Application Money		
Emaar MGF Land Limited	250,000,000	–
	322,050,430	**131,333,196**

Schedule - 8
Inventories

	As at March 31, 2008 Amount (Rs.)	As at March 31, 2007 Amount (Rs.)
(Note A-7 on Schedule 22)		
Stores & Spares	1,440,511	1,564,042
Video Tapes	1,592,802	1,757,934
Programmes under production and finished programmes	148,816,351	19,771,391
Film Rights	38,744,263	–
	190,593,927	**23,093,367**

Schedule - 9
Sundry Debtors

		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
(Unsecured, Considered Good unless otherwise stated)				
Debts Outstanding for a period exceeding six months				
Considered good	189,269,380		89,394,397	
Considered doubtful	22,447,235	211,716,615	14,905,125	104,299,522
Other Debts				
Considered good		1,454,064,695		971,401,586
Less: Provision for Doubtful Debts		(22,447,235)		(14,905,125)
		1,643,334,075		**1,060,795,983**

New Delhi Television Limited

Schedules to the Consolidated Balance Sheet

		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
Schedule - 10				
Cash and Bank Balances				
Cash In Hand		3,413,473		929,364
Balance With Banks on				
– Current Accounts		206,130,251		123,317,921
– EEFC Accounts		1,610,748		1,174,253
– Fixed Deposits [1]		2,370,091,282		682,177,147
		2,581,245,754		**807,598,685**

[1] Includes fixed deposits under lien Rs 23,635,000 (Previous Year Rs. 15,033,225) against letters of credit issued and Rs. 12,160,500 (Previous Year Rs. 9,190,500) pledged against bank guarantees.

Schedule - 11				
Other Current Assets, Loans and Advances				
(Unsecured, Considered Good unless otherwise stated)				
Advances recoverable in cash or kind or for value to be received [1,2]				
Unsecured, Considered Good	251,247,416		105,317,655	
Considered doubtful	4,000,000	255,247,416	4,000,000	109,317,655
Less: Provision for Doubtful Advances		(4,000,000)		(4,000,000)
		251,247,416		105,317,655
Security Deposits		156,018,117		103,060,695
Interest Accrued But Not Due		48,882,208		1,187,890
Advances & Imprest to Employees		147,389,119		82,993,554
Prepaid Expenses		124,611,378		66,194,466
Loan to a company (Note B-8 on Schedule 22)		48,700,570		–
Advance Income Tax {Net of Provision for Income Tax of Rs 1,01,667,678 (Previous Year Rs 97,317,303)}		230,033,481		121,123,278
		1,006,882,289		**479,877,538**

[1] Includes Rs. NIL (Previous year Rs. 56,221,586) paid in advance towards joining bonus to certain individuals for securing their services for the company which have been charged to expenditure subsequent to the year end on their joining.

[2] Includes Rs. 51,930,681 (net of liabilities of Rs. 46,526,078) on account of barter transactions (Previous Year Rs. 17,304,235 (net of liabilities of Rs. 64,442,415))

Schedule - 12				
Current Liabilities				
Sundry Creditors [1]		1,158,527,039		305,591,332
Other Liabilities		148,551,369		142,740,638
Advances from Customers		267,716,345		20,601,628
		1,574,794,753		**468,933,598**

[1]As per the information available with the Company, there are no amount due to Micro and Small Enterprises

New Delhi Television Limited

Schedules to the Consolidated Balance Sheet

		As at March 31, 2008 Amount (Rs.)		As at March 31, 2007 Amount (Rs.)
Schedule - 13				
Provisions				
Provision for Gratuity (Note B-18 on Schedule 22)		27,598,000		22,979,383
Provision for Leave Encashment (Note B-18 on Schedule 22)		141,158		–
Proposed Dividend		50,065,174		49,965,606
Corporate Dividend Tax		8,508,576		8,491,655
Provision for Fringe Benefit Tax {Net of advance tax of Rs. 83,510,420 (Previous Year Rs. 40,225,530)}		4,422,501		1,859,025
		90,735,409		**83,295,669**
Schedule - 14				
Miscellaneous Expenditure				
(To the extent not written off or adjusted)				
Issue Expenditure of Step Up Coupon Convertible Bonds due 2012 (Note B-5 of Schedule 22)				
Opening Balance	–		–	
Additions during the year	209,703,825		–	
Less: Amortised during the year [1]	35,687,174	–	–	
Closing Balance		174,016,651		–
		174,016,651		–

[1] Included in Interest and Financial Charges

New Delhi Television Limited

Schedules to the Consolidated Profit and Loss Account

		For the Year ended March 31, 2008 Amount (Rs.)		For the Year ended March 31, 2007 Amount (Rs.)
Schedule - 15				
Advertising Revenue				
Sales		3,183,756,149		2,434,484,430
Barter Sales	171,755,266		129,810,305	
Less: Barter Expenses - Advertisement	(119,486,031)	52,269,235	(64,147,412)	65,662,893
Less : Commission payable to Other Agencies		(55,098,018)		(31,512,226)
		3,180,927,366		**2,468,635,097**
Schedule - 16				
Other Business Income				
Sales of Television Software		4,709,847		4,855,776
Other News Delivery Avenues [1]		52,693,179		59,441,547
Equipment Hire		6,698,153		9,426,990
Subscription Revenue		258,859,950		158,556,935
Others		157,454,140		83,541,136
		480,415,269		**315,822,384**

[1] Includes Barter Income of Rs. Nil (Previous Year Rs. 1,953,286)

		For the Year ended March 31, 2008 Amount (Rs.)		For the Year ended March 31, 2007 Amount (Rs.)
Schedule - 17				
Other Income				
Interest earned:				
– On Fixed Deposits {Gross of tax deducted at source Rs 1,764,985 (Previous Year Rs 1,532,343)}		169,068,538		7,789,016
– On Income Tax Refund		5,809,363		828,053
– On Others		535,145		–
Profit on Sale of Fixed Assets		1,114,782		–
Foreign Exchange Fluctuation - net		3,619,305		2,491,044
Gain/(loss) on forward contracts		26,137,500		–
Liabilities Written Back		5,532,501		–
Miscellaneous Income		6,240,798		1,305,600
		218,057,932		**12,413,713**
Schedule - 18				
Production Expenses				
Consultancy & Professional Fee		190,530,991		117,170,039
Hire Charges		21,033,998		18,512,899
Graphic, Music and Editing		15,321,653		5,957,675
Video Cassettes		13,918,599		7,580,223
Subscription, Footage & News Service		69,932,863		61,839,545
Software Expenses		8,055,696		4,412,043
Transmission & Uplinking		148,510,920		117,214,035
Sets Construction		5,294,451		982,850
Panelist Fee		5,128,242		4,740,966
Website Hosting & Streaming		31,126,621		20,658,747
Helicopter Running & Maintenance		9,865,962		9,573,570
Travelling		161,312,783		111,569,178
Stores & Spares		26,732,812		17,165,832
On Air Promos		43,572,374		–
Programme Production (Note A-7 on Schedule 22)		378,846,344		–
Other Production		87,364,161		35,654,460
		1,216,548,470		**533,032,062**

New Delhi Television Limited

Schedules to the Consolidated Profit and Loss Account

	For the Year ended March 31, 2008 Amount (Rs.)	For the Year ended March 31, 2007 Amount (Rs.)
Schedule - 19		
Personnel Expenses		
Salary, Wages & Other Benefits	1,367,717,476	812,017,889
Contribution to Provident Fund & Other Funds	74,808,761	54,380,879
Staff Welfare	29,960,572	23,984,788
	1,472,486,809	**890,383,556**
Schedule - 20		
Operations & Administration Expenses		
Rent (Note B- 16 on Schedule 22)	178,245,794	97,123,242
Rates and taxes	33,058,201	5,757,950
Electricity and water	48,299,565	30,705,309
Bank charges	7,238,004	5,618,624
Printing and stationery	19,391,401	7,196,899
Postage and courier	6,511,268	3,925,507
Books, periodicals and news papers	44,638,904	31,272,154
Local conveyance & taxi hire	84,744,979	73,990,620
Business promotion	40,000,351	26,239,363
Repair and Maintenance		
– Plant & Machinery	32,208,513	27,243,924
– Building	38,236,650	25,002,050
Charity and donations	1,269,311	1,106,301
Auditors Remuneration (Note B-14 on schedule 22)	7,650,713	4,462,608
Insurance	18,787,216	17,532,695
Public relation expenses	10,296,652	–
Communication	70,752,451	51,900,354
Vehicle	51,346,591	29,700,636
Medical	14,919,591	11,416,056
Generator hire and running	4,806,383	7,782,221
Security	10,119,218	4,936,085
Staff training	5,593,260	1,716,232
Provision for doubtful debts / advances	7,542,111	4,000,000
Bad Debts & doubtful advances written off	3,113,824	5,417,275
Legal & Professional	233,472,752	75,431,233
Loss on Sale of Fixed Assets /Asset Written off	–	10,666,877
Miscellaneous	20,204,376	10,394,229
	992,448,079	**570,538,444**
Schedule - 21		
Interest and Financial Charges		
Interest on :		
– Term Loans (including amortisation of issue expenditure on coupon convertible bonds due 2012 convertible into ordinary shares of NDTV Networks plc)	222,246,790	2,283,561
– Others	19,642,164	8,205,993
	241,888,954	**10,489,554**

New Delhi Television Limited - Consolidated

Schedules to the Accounts

Schedule - 22

A. Significant Accounting Policies

1. Basis of Presentation and principles of consolidation

(a) The Consolidated Financial Statements (CFS) of the company, its subsidiaries, associate and joint venture are prepared in accordance with Accounting Standard (AS) 21- “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India (ICAI). The CFS are prepared after the elimination of all inter-company accounts and transactions in accordance with AS-21 and are prepared under historical cost convention in accordance with generally accepted accounting principles applicable in India. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal.

(b) The Consolidated Financial Statements include the share of profit/loss of the associate companies which has been accounted as per the ‘Equity method’, and accordingly, the share of profit / loss of each of the associate companies from the date of acquisition has been added to / deducted from the cost of investments. An Associate is an enterprise in which the investor has significant influence and which is neither a Subsidiary nor a Joint Venture of the investor.

(c) The notes and significant policies to the CFS are intended to serve as a guide for better understanding of the Group’s position. In this respect, the Group has disclosed such notes and policies, which represent the required disclosure.

(d) Reserves shown in the consolidated balance sheet represent the Group’s share in the respective reserves of the Group companies. Retained earnings comprise general reserve, capital reserve and profit and loss account.

(e) Minority Interests in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which the investments are made by New Delhi Television Limited in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.

2. Goodwill/Capital Reserve

Subsidiaries

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

Associates

Goodwill / Capital reserve arising on the date of acquisition is included in the cost of investments

3. Tangible Fixed Assets

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

Fixed assets purchased under barter arrangements are stated at the fair market value as at the date of purchase.

4. Intangibles

Intangible assets are recognised if they are separately identifiable and the Group controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the profit and loss account. Intangible assets are stated at cost less accumulated amortisation and impairment

5. Depreciation

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

Asset Head	**Useful Life (years)**
Tangible assets	
Buildings	40
Plant and Machinery	5-12
Computers	3-6
Office equipment	3-5
Furniture and Fixtures	5-9
Vehicles	6
Helicopter	17
Intangible assets	
Computer Software	6
Website	6
Technical Know-how	5

The rates of depreciation derived from these estimates of useful lives are higher than those mandated by Schedule XIV of the Companies Act, 1956 after considering the impact of shift workings.

6. Revenue Recognition

Revenue from advertising is recognised rateably over the period during which services have been provided based on valid contracts.

Revenues from production arrangements are recognised when the contract period begins and the programming is available for telecast pursuant to the terms of the agreement, typically when the finished product has been delivered to or made available to and accepted by the customer. Revenue from other services is recognised as per the terms of the agreement, as the services are rendered and no significant uncertainty exists regarding the amount of consideration. Revenue from equipment given out on lease is accounted for on accrual basis for the period of use of equipment by the customers.

Revenue from Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

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

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

Revenue from other services is recognised as per the terms of the agreement, as the services are rendered and no significant uncertainty exists regarding the amount of consideration.

7. Inventories

Stores and Spares

Stores and spares consist of blank videotapes and equipment spare parts and are valued at the lower of cost or net realisable value. Cost is measured on a First In First Out (FIFO) basis.

VHS Tapes

VHS tapes, other than Betacam and DVC videotapes, are written off in the books at the time of their purchase. Betacam and DVC videotapes are written off on issue to production.

Programmes / Film Rights

Programmes:

Inventories related to television software (programmes completed, in process of production, available for sale or purchased programmes) are stated at the lower of cost (which includes direct production costs, story costs, acquisition of footage and allocable production overheads) less amortised/ impairment cost or net realisable value.

Programmes which are of current or topical in nature are entirely amortised on first exploitation

In respect of other programmes, programme costs are amortised based on management's estimates of the ratio of the current period's gross revenues to ultimate revenues. If estimates of the total revenues and other events or changes in circumstances indicate that the realisable value of a right is less than its unamortised cost, a loss is recognised for the excess of unamortised cost over the film right's realisable value.

With respect to programmes in which rights vest in entirety and in perpetuity, the Company records at inception, a nominal value of the cost of the programme as terminal value, which is charged off not later than the expiry of five years

Films Rights:

Inventories in respect of broadcast rights for acquired films are stated at lower of cost (cost includes acquisition cost, production cost, direct production over heads, development cost) less amortised/impairment cost or net realisable value.

Costs are amortised in the proportion to management's estimate of total gross revenues expected to be received over the license period but not exceeding five years from the commencement of rights.

If estimates of the total revenues and other events or changes in circumstances indicate that the realisable value of a right is less than its unamortised cost, a loss is recognised for the excess of unamortised cost over the film right's realisable value.

8. Use of Estimates

In preparing the Consolidated Financial Statements, reasonable, prudent judgments and estimates have been made that may affect the reported amounts of assets and liabilities, and contingent liabilities on the Balance Sheet date, as well as income and expenses during the period under review. Assets and liabilities are recognised in the Balance Sheet when it is probable that a future economic benefit will flow to the group or an outflow of resources embodying economic benefits will result.

9. Post Employment Benefits

The Group's contributions to State Provident Funds and other recognised funds are charged to the Profit and Loss Account.

The Group provides for long term defined benefit schemes of gratuity on the basis of actuarial valuation on the Balance Sheet date based on the Projected Unit Credit Method.

In the Group, NDTV and NDTV Media Limited fund the benefits through annual contributions to Life Insurance Corporation of India (LIC) and Tata AIG respectively. Under the scheme, insurers assume the obligation to settle the gratuity payment to the employees to the extent of the funding including accumulated interest. The actuarial valuation of the liability towards the Gratuity Retirement benefits of the employees is made on the basis of certain assumptions with respect to the variable elements affecting the computations including estimation of interest rate of earnings on contributions to the insurers, discount rate, future salary increases.

For other companies, the actuarial valuation of the liability towards gratuity and leave encashment benefits of the employees is made on the basis of certain assumptions with respect to the variable elements like discount rate, future salary increases, etc affecting the valuation

The Company recognises the actuarial gains and losses in the Profit & Loss account as income and expense in the period in which they occur.

10. Foreign Currency Transactions

Transactions in foreign currency are recorded at the rates of exchange in force at the time the transactions are effected. All monetary assets and liabilities denominated in foreign currency are restated at the year-end exchange rate. All non-monetary assets and liabilities are stated at the rate prevailing on the date of transaction.

Gains / (losses) arising out of fluctuations in the exchange rates are recognised as income/ (expense) in the period in which they arise.

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

In translating the financial statements of a non-integral operation for incorporation in the consolidated financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated at exchange rates on the date of transactions. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

11. Leases

Assets taken under leases, where the Group has substantially all the risks and rewards of ownership are classified as Finance leases. Such assets are capitalised at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

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

12. Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and/or the applicable local tax laws and based on expected outcome of the assessment.

Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws substantially enacted as on the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation/brought forward losses are recognised to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Other deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

13. Earnings Per Share (EPS)

Basic EPS

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

Diluted EPS

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

14. Investments

Current investments are valued at cost or fair value whichever is lower.

Long-term investments are stated at cost of acquisition. However, permanent diminutions, if any, are adjusted against the value of investments.

15. Barter Transactions

Barter transactions are recognised at the fair value of consideration receivable or payable. 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/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 whether used for business purposes or otherwise, or service and/or makes an investment in a customer and at the same time negotiates a contract for sale of advertising to the customer. Arrangements though negotiated contemporaneously, may be documented in one or more contracts. The Company's policy for accounting for each transaction negotiated contemporaneously 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 other than for business purposes are recorded as Investments and accounted for accordingly. In determining the fair value, the Company refers to independent appraisals (where available), historical transactions or comparable cash transactions.

16. Employee stock based compensation

The Group calculates the employee stock compensation expense based on the intrinsic value method wherein the excess of, market price of underlying equity shares in case of listed entities or value determined by an independent valuer in case of other entities, as on the date of the grant of options over the exercise price of the options given to employees under the Employee Stock Option Scheme of the Company, is recognised as deferred stock compensation expense and is amortised over the vesting period on the basis of generally accepted accounting principles in accordance with the guidelines of Securities and Exchange Board of India.

17. Borrowing Costs

Borrowing costs attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

B. Notes to Accounts

1. New Delhi Television Limited "the Company" was incorporated under the laws of India on September 8, 1988.

2. New Business Initiatives

On January 22, 2008 the Company along with its subsidiary NDTV Networks BV entered into a Memorandum of Agreement (MOA) with NBC Universal Inc. and one of its affiliates (NBCU), which contemplates divestment to the NBCU affiliate of a 26% effective indirect stake (on a fully diluted basis) in NDTV Networks plc through a Netherlands based Subsidiary. The said stake is proposed to be divested at a price of US$ 150 million. The detailed terms of the same are being negotiated between the parties. The MOA also contemplates that NBCU will be granted an option to acquire additional stake of upto 24% in the Netherlands Subsidiary in the third year of the joint venture at the then fair market value of the shares, subject to receipt of all necessary consents and approvals.

On September, 25 2007, the Company launched a channel called NDTV Metronation (Delhi) that caters to viewers in Delhi and offers four broad genres of programming- News and Current Affairs, Lifestyle, Entertainment and programming for the Youth.

The Company has entered into a Joint Venture with Kasturi & Sons Limited, the publishers of the Chennai based English newspaper, The Hindu, to launch a Chennai Metronation channel to cater to the viewers of Chennai through a newly incorporated entity, "Metronation Chennai Television Private Limited", in which the Company holds 51%.

During the year the Company's subsidiary NDTV Lifestyle Limited ("NDTVL") has launched a lifestyle channel **"NDTV Good Times"** on September 7, 2007, which is dedicated to travel, food, fashion, shopping and health & wellness. Further NDTVL has entered into an exclusive arrangement with United Breweries Limited (UBL) for a period of 5 years for a specified consideration. Pursuant to the agreement, NDTVL provides specified airtime on its channel every month and also pays a specified percentage of its channel's advertising revenues (net of agency commission) to UBL.

The Company's subsidiary NDTV Imagine Limited ("NDTVIL") launched its Hindi general entertainment channel **'NDTV Imagine'** on January 21, 2008.

During the year NDTVIL has invested in three newly incorporated subsidiaries:

Imagine Showbiz Limited, set up as a Joint venture with two other investors in which 51% is held by NDTVIL, will launch and operate a mass entertainment television channel dedicated to the Indian film Industry and will also be engaged in the business of content production, recording television films, video films and television programmes focusing on Indian film Industry.

Alliance Lumiere Limited, set up as a Joint venture with two other investors in which 51% is held by NDTVIL, will be engaged in the business of acquiring rights to Indian and International films from various international countries, film festivals and markets, and monetising them by launching a television channel, theatrical release, home video release and all other forms of exhibition and distribution.

NDTV Imagine films Limited, set up as a 100% subsidiary of NDTVIL will engage in production and distribution of films.

Accordingly the following subsidiary companies are considered in the consolidated financial statements:

Name of the Company	Country of Incorporation	Date of becoming a part of Group	Shareholding as on March 31, 2008 (Directly or Indirectly)	Shareholding as on March 31, 2007 (Directly or Indirectly)
NDTV Media Limited (NDTVM)	India		75.2%	75.2%
NDTV News Limited (NDTVN)	India		100%	100%
NDTV Emerging Markets BV (Formerly Emerging Markets 24X7 BV)	Netherlands	February 19, 2007	100%	100%
NDTV BV (Formerly NDTV Networks BV)	Netherlands	December 28, 2006	100%	100%
NDTV Networks BV	Netherlands	January 9, 2008	100%	–
NDTV Networks Plc (NNPLC)	United Kingdom	November 30, 2006	100%	100%

Name of the Company	Country of Incorporation	Date of becoming a part of Group	Shareholding as on March 31, 2008 (Directly or Indirectly)	Shareholding as on March 31, 2007 (Directly or Indirectly)
NDTV Imagine Limited	India	May 21, 2006	82.05%	96.3%
NDTV Labs Limited	India	December 13, 2006	100%	100%
NDTV Convergence Limited	India	December 13, 2006	100%	100%
NDTV Lifestyle Limited	India	December 13, 2006	100%	100%
Metronation Chennai Television Private Limited	India	October 17, 2007	51%	–
Imagine Showbiz Limited	India	October 17, 2007	51% held by NDTV Imagine Limited	–
Alliance Lumiere Limited	India	October 17, 2007	51% held by NDTV Imagine Limited	–
NDTV Imagine Films Limited	India	October 15, 2007	100% held by NDTV Imagine Limited	–
Joint Venture				
NGEN Media Services Private Limited	India	August 29, 2006	50%	50%
Associate				
Astro Awani Networks Limited	Malaysia	July 4, 2006	20% held by NDTV Emerging Markets BV[1]	20%

[1]Acquired from NDTV on March 30, 2008

3. Goodwill

The Goodwill/ Capital Reserve in the Consolidated Financial Statements represents the excess of the purchase consideration over the NDTV Imagine share in the net assets of its subsidiary – Alliance Lumiere Limited.

Amount (Rs.'000)

Particulars	March 31, 2008
Investment – Alliance Lumiere Limited	24,480
NDTV Imagine Limited's share in the net assets of its subsidiaries	(19,890)
Goodwill (A)	**4,590**

4. NNPLC has issued 25,575 convertible preference shares, of €0.10 each at a price of US $ 782 (Rs 33,922) per preferred stock on 30 March 2007 to Fuse+ Media Holding LP, a wholly owned subsidiary of Velocity Interactive Group (Formerly ComVenture V.I. L.P.), together with 2,557 warrants attached to preference shares at a price of US $0.01(Rs 4.34)per warrant. The preferred shares can be fully converted into ordinary shares, at the option of the holder on 1:1 basis, subject to anti-dilution clause, in which case the exchange ratio would be increased to adjust to the fair market price of the ordinary shares as on the conversion date. However the preferred shares shall be converted into ordinary share automatically in the event of a successful Initial Public Offering ("IPO") of NNPLC exceeding the issue size US $ 80 million. The preferred shares are redeemable by way of a written agreement that the holder and NNPLC may execute at any time. The "A" preferred shares are entitled to non - cumulative dividends at a rate of 6% per annum which are subject to declaration of the Board of Directors and approval of the shareholders. In case the preferred stock is totally converted, the shareholding of NNPLC would be diluted by not below 4.87%.

5. On 30 May 2007, NNPLC has raised funds by issuing $ 100m coupon convertible bonds due 2012 (redeemable at premium of 7.5%). In connection with this, the Company has given an undertaking to provide a corporate guarantee for and behalf of NNPLC, as and when required. These bonds carry a coupon rate (net of withholding taxes) of 4% for the first year, 6% for the second year and 9% for the balance period up to maturity. The bondholders are entitled to conversion as per the terms and conditions specified in the agreement that includes events such as NNPLC making a qualified IPO or a change of control. The bonds are convertible at the option of holder based on pre-determined formula, which would result in the instruments converting into fixed number of shares. The potential dilution on conversion is likely to be between 20% to 30%.

6. NDTVIL has entered into a content production and creative consultant agreement with Karan Johar and Dharma Productions Private Limited wherein Karan Johar / Dharma Productions will be issued an aggregate 5% of the equity stake in NDTVIL. Further NDTVIL shall issue on an annual basis such number of additional equity shares not exceeding up to 0.5% (up to a maximum cap of 2.5%, which will be kept aside) of the initial paid up equity share capital as a performance bonus, based on mutually agreed achievements, milestones and performance.

Further, NDTVIL has appointed Mr Sameer Nair as the CEO of NDTVIL from April 2, 2007.The appointment is for a period of 5 years unless terminated by either party. The CEO would also be entitled to 17% of the fully paid up equity shares of NDTVIL at no cost (the “CEO shares”). The CEO would be entitled to transfer a part of the CEO shares to the core team to be appointed by the CEO, however if any of the core team members leave the organisation, the shares granted to him/her would be forfeited and revert to the CEO.

The CEO shares (including the shares allotted to the core team members) would be entitled to anti-dilution protection upto a financing of US $ 100 million until the IPO. Dilution beyond financing of US $100 million and/or the IPO would be proportionate to the shareholding and would be applicable to all the shareholders.

Over and above the CEO shares, NDTVIL would develop and implement an Employee Stock Option Plan, whereby 3% of the paid up equity share capital would be reserved for grant to the employees of NDTVIL

7. (a) Employee Stock Option Plan– ESOP 2004

The Company instituted the Employee Stock Option Plan – ESOP 2004 to grant equity-based incentives to all its eligible employees. The ESOP 2004, finally approved by the shareholders on September 19, 2005 provides for grant of 4,057 thousand options to employees of the Company by the ESOP Committee at an exercise price of Rs. 4 each, representing one share for each option upon exercise. The maximum tenure of these options granted is 7 years from the date of grant. The balance options available for grant as at March 31, 2008 is 245 thousand (previous year 355 thousand). The details of options granted to employees under the ESOP 2004 is set out below.

	First Grant	Second Grant	Third Grant	Fourth Grant	Fifth Grant	Sixth Grant	Seventh Grant	Eight Grant	Ninth Grant	Total
Date of Grant	June 30, 2005	Sept 19, 2005	Dec 1, 2005	Apr 20, 2006	Apr 20, 2006	July 1, 2006	Aug 1, 2006	Oct 17, 2007	Oct 17, 2007	
Market value on date of grant of the underlying equity shares	212.75	235.20	179.50	259.20	259.20	173.90	156.35	376.10	376.10	–
Exercise Price	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	–
Vesting Period	1 to 4 Years[1]	1 to 4 Years[1]	1 to 4 Years[1]	1 to 4 Years[1]	1Year	1 to 4 Years[1]	1 to 4 Years[1]	1Year	1 to 4 Years[1]	–
Options outstanding at the beginning of the year	1,196,250	446,250	6,250	270,000	93,420	10,000	25,000	–	–	2,047,170
Options granted	–	–	–	–	–	–	–	37,500	120,000	157,500
Options forfeited	37,000	9,250	–	–	1,020	–	–	–	–	47,270
Options exercised	32,000	9,250	–	43,750	36,960	2,500	–	–	–	124,460
Options expired	–	–	–	–	–	–	–	–	–	–
Options outstanding at the year end [2]	1,127,250	427,750	6,250	226,250	55,440	7,500	25,000	37,500	120,000	2,032,940
Options Exercisable at the year end	–	–	–	28,130	51,060	–	6,250	–	–	85,440

[1] 25% to vest each year over a period of 4 years.

[2] weighted average remaining contractual life of 1.49 years.

Accordingly, the Group under the intrinsic value method has recognised the excess of the market price over the exercise price of the options amounting to Rs. 134,993 thousand (previous year Rs. 356,138 thousand) as an expense during the year. Further, the cost of the previous year includes Rs. 28,014 thousand, being the charge consequent to accelerated vesting of 825 thousand options out of 2nd Tranche of First, Second and Third Grant.

Further, the liability outstanding as at the March 31, 2008 in respect of Employee Stock Options outstanding is Rs. 337,244 thousand (previous year Rs. 232,091 thousand). The balance deferred compensation expense Rs. 133,637 thousand (previous year Rs. 220,147 thousand) will be amortised over the remaining vesting period of the options.

The fair value of each stock option granted under ESOP 2004 as on the date of grant has been computed using Black-Scholes Option Pricing Formula and the model inputs are given as under:

	First Grant	**Second Grant**	**Third Grant**	**Fourth Grant**	**Fifth Grant**	**Sixth Grant**	**Seventh Grant**	**Eight Grant**	**Ninth Grant**
Date of Grant	June 30, 2005	Sept 19, 2005	Dec 1, 2005	Apr 20, 2006	Apr 20, 2006	July 1, 2006	Aug 1, 2006	Oct 17, 2007	Oct 17, 2007
Weighted average share price on the grant date	Rs. 212.75	Rs 235.20	Rs 179.50	Rs.259.20	Rs. 259.20	Rs.173.90	Rs. 156.35	Rs 357.60	Rs 357.60
Volatility (%)	50.20 to 64.49[1]	50.12 to 63.15[1]	49.05 to 60.13[1]	47.69	47.69	52.72	52.40	55.88	51.22 to 52.57
Risk free rate [2] (%)	6.33 to 6.60	6.39 to 6.79	6.32 to 6.81	6.72 to 7.06	6.72	6.57 to 7.09	7.49 to 7.98	7.81	7.76 to 7.78
Exercise Price	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4	Rs. 4
Time to Maturity (years) [3]	2.50 to 5.50	2.50 to 5.50	2.50 to 5.50	2.50 to 5.50	2.50	2.50 to 5.50	2.50 to 5.50	1.50	2.50 to 5.50
Dividend Yield	0%[4]	0%[4]	0%[4]	0.54%	0.54%	0.54%	0.54%	0.34%	0.34%
Life of options	7 years	7 years	7 years	7 years	4 years	7 years	7 years	4 Years	7 Years
Weighted average fair value of options as at the grant date	Rs. 209.66	Rs. 232.13	Rs. 176.42	Rs. 250.63	Rs. 252.35	Rs. 167.14	Rs. 150.08	Rs 352.21	Rs 349.79

[1] In view of the non availability of adequate historical data for the Company, the historical volatility of another entity within the same industry has been considered.

[2] Being the interest rate applicable for maturity equal to the expected life of options based on zero-coupon yield curve for Government Securities

[3] Vesting period and volatility of the underlying equity shares have been considered for estimation.

[4] Since the average price trend for earlier years was not available as the Company was listed in May 2004, dividend yield has not been considered.

The impact on the profit of the Company for the year ended March 31, 2008 and the basic and diluted earnings per share had the Company followed the fair value method of accounting for stock options is set out below:

Amount (Rs. '000)

	Current year	Previous year
Profit/(Loss) after tax as per Profit and Loss Account (a)	(1,885,878)	(147,237)
Add : Employee Stock Compensation Expense (Net) as per Intrinsic Value Method	118,343	356,138
Less : Employee Stock Compensation Expense (Net) as per Fair Value Method	118,742	357,506
Profit/(Loss) after tax recomputed for recognition of employee stock compensation expense under fair value method(b)	(1,886,277)	(148,605)
Basic and diluted Earnings per Share as computed on earnings as per (a) above (Rs.)	(30.16)	(2.41)
Basic and diluted Earnings per Share as computed on earnings recomputed as per (b) above (Rs.)	(30.17)	(2.43)

(b) NDTV Media Limited STOCK OPTION PLAN - ESOP 2005

NDTV Media has established Employee Stock Option Plan - ESOP 2005 (ESOP 2005), under which the Board has been empowered to grant 133,300 options to its employees that entitles them to one equity share of NDTV Media Limited at an exercise price determined by the Board. The equity shares covered under the scheme vest over a maximum period of sixty months.

Pursuant to the scheme, 130,300 Shares have been allotted to employees against the option vested and exercised by the employees in earlier years. As at March 31, 2008, there are 3000 options available for grant.

(c) NDTV Imagine EMPLOYEE STOCK OPTION PLAN - ESOP (IMAGINE) - 2007

The Board of Directors of Imagine on January 19, 2007 have instituted the Employee Stock Option Scheme 2007 "ESOP (IMAGINE) - 2007" to grant equity-based incentives to all its eligible employees upto 5% of Paid Up Equity Capital at any point of time of Imagine. The said scheme is subject to the approval of shareholders of Imagine.

(d) NDTV Lifestyle EMPLOYEE STOCK OPTION PLAN - ESOP (LIFESTYLE) - 2007

The Board of Directors of Lifestyle on January 19, 2007 have instituted the Employee Stock Option Scheme 2007 "ESOP- 2007" to grant equity-based incentives to all its eligible employees upto 8% of Paid Up Equity Capital at any point of time of Lifestyle. The said scheme is subject to the approval of shareholders of Lifestyle.

(e) NDTV Convergence EMPLOYEE STOCK OPTION PLAN - ESOP (Convergence) - 2007

The Board of Directors of Convergence on January 19, 2007 have instituted the Employee Stock Option Scheme 2007 "ESOP (CONVERGENCE) - 2007" to grant equity-based incentives to all its eligible employees upto 8% of Paid Up Equity Capital at any point of time of Convergence. The said scheme is subject to the approval of shareholders of Convergence.

(f) NDTV Labs EMPLOYEE STOCK OPTION PLAN - ESOP (Labs) - 2007

The Board of Directors of Labs on January 19, 2007 have instituted the Employee Stock Option Scheme 2007 "ESOP (LABS) - 2007" to grant equity-based incentives to all its eligible employees upto 8% of Paid Up Equity Capital at any point of time of Labs. The said scheme is subject to the approval of shareholders of Labs.

(g) NDTV Networks Plc- ESOP (NDTV Networks Plc) - 2007

The Board of Directors of NNPLC on February 7, 2007 have instituted the Employee Stock Option Scheme 2007 "ESOP (NDTV Networks Plc) - 2007" to grant equity-based incentives to all its eligible employees upto 8% of Paid Up Equity Capital at any point of time of NNPLC. The said scheme is subject to the approval of shareholders of NNPLC.

8. Interest in Joint Venture

NDTV News Limited together with associate companies of Value Labs and Astro All Asia Network Plc, Malaysia through their existing Indian joint venture companies had a minority stake in Radio Today (Kolkata) Broadcasting Limited, Radio Today (Delhi) Broadcasting Limited and Radio Today (Mumbai) Broadcasting Limited (referred to as radio companies). The three radio companies hold licenses for FM radio broadcasting in Mumbai, Delhi and Kolkata respectively, under the brand name of RED FM.

During the year, Sun TV Networks Ltd. ("Sun TV") entered into a strategic alliance with Red FM (a Company promoted by Value Labs and Astro), under which it acquired, through its subsidiary, South Asia FM Limited (SAFL) Equity holdings in the aforesaid Radio Broadcast Companies. The Company thereafter on August 29, 2007 sold its investment in radio companies to SAFL at cost and entered into a share subscription agreement with SAFL to subscribe to 2.97% share capital of SAFL at cost aggregating to Rs.17,200,000 and an amount of Rs.82,600,000 was converted to a shareholders' loan. Further, loan amounting to Rs. 33,899,430 was converted to equity share capital on February 28, 2008.

9. Estimated amount of contracts remaining to be executed on capital account, not provided for (net of capital advances)

Amount (Rs.'000)

Particulars	**As at March 31, 2008**	**As at March 31, 2007**
On Letters of credit	22,075	97,874
On others	195,195	144,270
Total	**217,270**	**242,144**

10. Contingent Liabilities not provided for as in respect of:

a. Bank Guarantee - Rs. 11,866 thousand (Previous Year - Rs. 71,835 thousand). These have been issued in the ordinary course of business.

b. Claims against the Company not acknowledged as debts: Rs. 82,564 thousand (Previous Year Rs.82,564 thousand)

The Company had filed a suit for recovery of Rs. 66,861 thousand as its principal debt along with interest thereon against Doordarshan (DD) in the High Court of Delhi in February 1998 for various programmes produced and aired between 1994 and 1996. In its rejoinder during the suit proceedings, DD has admitted its debts of Rs. 35,610 thousand only but has disputed the balance claim of Rs. 31,251 thousand and interest claimed. On the contrary, DD has claimed Rs. 82,564 thousand - Rs. 55,492 thousand towards telecast fee etc. against various programmes and Rs. 27,072 thousand as interest thereon, which has not been accepted by the Company. The last hearing in the Court in the current fiscal year has been adjourned, at the request of the counsel of DD to settle between the parties through a mediation route.

Based on legal advice and existing contractual agreements with DD, the Company considers the outstanding debt from DD in its books as recoverable except for Rs. 11,800 thousand, which has been provided for and no interest has been accrued on the outstanding amount.

c. The Company has received legal notices of claims/lawsuits filed against it relating to infringement of copyrights, trademarks and defamation suits in relation to the programmes produced by it. In the opinion of the management supported by legal advice, no material liability is likely to arise on account of such claims/ law suits.

11. Deferred Taxes

Significant components of deferred tax assets and liabilities are shown in the following table:

Amount (Rs.'000)

	As at March 31, 2008	For the Year	As at March 31, 2007
Deferred tax assets on account of			
Accumulated Losses	82,911	–	82,911
Provision for Expenses	56,737	(18,041)	74,778
Provision for Doubtful Debtors	5,694	1,119	4,575
Provision for Doubtful Advances	1,236	–	1,236
Total deferred tax assets	**146,578**	**(16,922)**	**163,500**
Deferred tax liability on account of			
Depreciation	(82,929)	(1,019)	(81,910)
Total deferred tax liability	**(82,929)**	**(1,019)**	**(81,910)**
Net Deferred Tax Asset/(Liability)	**63,649**	**(17,941)**	**81,590**

12. Segment Reporting

The Group currently operates primarily in a single primary segment of television media as disclosed in the respective financial statements of the group companies, accordingly there are no separate reportable segments in accordance with AS 17 - "Segment Reporting" issued by The Institute of Chartered Accountants of India.

13. Related Party Transactions

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

Key Management Personnel and their relatives

Dr. Prannoy Roy	Director
Radhika Roy	Director
K.V.L. Narayan Rao	Director
L.S Nayak	CEO of NDTV Media Limited
Vikramaditya Chandra	CEO & Director of NDTV Networks Plc (w.e.f 31st December 2006)
Mr. Rahul Deshpande	CEO & Director of NDTV Labs Limited (w.e.f 19th January 2007)
Sanjay Trehan	CEO, NDTV Convergence Limited (w.e.f 12th March 2007)
Smeeta Chakrabarti	CEO & Director of NDTV Lifestyle Limited (w.e.f 19th January 2007)
Sameer Nair	CEO & Director of NDTV Imagine Limited
Ricky Bindra	CEO, NGEN Media Services Private Limited (Ceased to be CEO w.e.f 30th June 2007))
Rajnish Babbar	Global Operating leader, NGEN Media Services Private Limited (w.e.f 19th March 2007)

Key Management Personnel and their relatives

Rod Fairweather	CEO, NGEN Media Services Private Limited (w.ef. 15th Feb 2008)
John O'Loan	Director, NDTV Networks Plc (w.e.f 1st February 2007)
Pan Invest BV (Trust Company)	Directors of Trust company are directors of NDTV Emerging Markets BV, NDTV BV and NDTV Networks BV
Renu Rao	Wife of a Director (K.V.L Narayan Rao)
Projit Chakrabarti	Husband of CEO of NDTV Lifestyle Limited
Seema Chandra	Wife of CEO of NDTV Networks Plc
Sanvari Nair	Wife of CEO of NDTV Imagine Limited

b. **Disclosure of Related Party Transactions:**

Amount (Rs.'000)

Nature of relationship / transaction	Key Management Personnel	Relatives	Total
Remuneration Paid during 2007-08	200,180 [1,3]	9,338	209,518
Remuneration Paid during 2006-07	69,312 [2]	5,077	74,389
Services Availed during 2007-08	5,045	1,162	6,207
Services Availed during 2006-07	579	231	810

[1] Includes Remuneration amounting to Rs. 23,800 thousand paid to Directors that exceeds the minimum remuneration payable in case of inadequacy of profits, subject to Central Government's Approval.

[2] Includes Remuneration amounting to Rs. 1,630 thousand paid to Directors that exceeds the minimum remuneration payable in case of inadequacy of profits, subject to Central Government's Approval.

[3] The company has granted 100,000 stock options to a wholetime director subject to approval from the shareholders.

c. **Amount due to/ from related parties**

Amount (Rs.'000)

Nature of relationship / transaction	Key Management Personnel	Relatives	Total
Outstanding Payables as on March 31, 2008	32,210	197	32,407
Outstanding Payables as on March 31, 2007	23,467	-	23,467
Outstanding Advances as on March 31, 2008	21,182	285	21,467
Outstanding Advances as on March 31, 2007	12,604	60	12,664

14. Auditor's Remuneration

Amount (Rs.'000)

Description	Year ended March 31, 2008	Year ended March 31, 2007
As Auditors, including quarterly audits	7,250	4,438
Out-of-pocket-expenses	400	24
Total [1]	**7,650**	**4,462**

[1] Excluding service tax

15. Earnings / (Loss) per share (EPS)

Description	Year ended March 31, 2008	Year ended March 31, 2007
Number of equity shares outstanding at the beginning of the year (Nos.)	62,457,007	60,802,632
Add: Fresh issue of equity shares	1,24,660	1,654,375
Number of equity shares outstanding at year end (Nos.)	62,581,467	62,457,007
Weighted average number of Equity Shares outstanding during the year (Nos.)	62,524,473	61,173,572
Profit / (loss) attributable to Equity Shareholders (Rs.)	(1,885,878,192)	(147,237,091)
Basic and Diluted[1] Earnings / (loss) per Equity Share (Rs.)	(30.16)	(2.41)
Nominal Value per share (Rs)	4	4

[1] Potential conversion of the stock options granted is anti-dilutive and accordingly, has not been considered in the calculation of diluted earnings/ (loss) per share.

16. Operating Leases

i) The group has taken various residential/commercial premises/vehicles under cancelable operating leases. These lease agreements are normally renewed on expiry.

ii) a) The Company has taken commercial premises on lease which are non-cancelable for a period of 3 years. The future minimum lease payments in respect of the same are as follows:

Amount (Rs.'000)

Particulars	Year Ended March 31, 2008	Year Ended March 31, 2007
Payable not later than 1 year	121,617	55,078
Payable later than 1 year and not later than 5 year	120,696	120,296
Payable later than five year	228	–
Total minimum lease payments	**242,541**	**175,374**

b) The rental expense for the current year in respect of operating leases was Rs 178,246 thousand (Previous Year Rs 97,123 thousand).

17. Finance Leases.

The Group has taken vehicles on lease which are non-cancelable for a period of 3 years. The future minimum lease payments in respect of the same are as follows:

Amount (Rs. '000s)

Periods	Minimum Lease payments	Future interest payable	Present value of minimum lease payments
Payable not later than 1 year	210	63	147
Payable later than 1 year and not later than 5 year	455	61	394
Total minimum lease payments	**665**	**124**	**541**

18. The Company has during the year complied with the Accounting Standard – 15 (Revised 2005) on employee benefits issued by the Institute of Chartered Accountants of India.

The Company has accounted for the long term defined benefits and contribution schemes as under:

(A) Defined Benefits Scheme

The Group provides for long term defined benefit schemes of gratuity on the basis of actuarial valuation on the Balance Sheet date based on the Projected Unit Credit Method. In respect of NDTV and NDTV Media Limited, gratuity benefits are funded through annual contributions to Life Insurance Corporation of India (LIC) and Tata AIG respectively. The actuarial valuation of the liability towards the Gratuity Retirement benefits of the employees is made on the basis of assumptions with respect to the variable elements affecting the computations including estimation of interest rate of earnings on contributions to LIC/Tata AIG. The gratuity benefit in other Companies of the group are unfunded and the Group recognise the actuarial gains and losses in the Profit & Loss account as income and expense in the period in which they occur.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

Amount (Rs.'000)

		For the Year ended March 31, 2008		For the Year ended March 31, 2007
		Gratuity	Leave Encashment	Gratuity
I	**Changes in the Present value of the Obligation:**			
	Obligations at year beginning	69,420	–	57,829
	Service Cost – Current	16,108	128	8,978
	Interest Cost	5,554	–	4,422
	Actuarial (gain) / loss	(8,208)	24	33
	Benefit Paid	(3,386)	(11)	(1,842)
	Obligations at year end	79,488	141	69,420
II	**Change in plan assets:**			
	Plan assets at year beginning, at fair value	46,441 [1]	–	40,863
	Expected return on plan assets	4,260	–	3,678
	Actuarial gain / (loss)	157	–	(30)
	Contributions	4,021	–	2,158
	Benefits paid	(2,989)	–	(1,842)
	Plan assets at year end, at fair value	51,890	–	44,827 [1]
III	**Reconciliation of present value of the obligation and the fair value of the plan assets:**			
	Present value of the defined benefit obligations at the end of the year	79,488	141	69,420
	Fair value of the plan assets at the end of the year	51,890	–	44,827 [1]
	Liability recognised in the Balance Sheet	27,598	141	24,593

Amount (Rs.'000)

		For the Year ended March 31, 2008		For the Year ended March 31, 2007
		Gratuity	**Leave Encashment**	**Gratuity**
IV	**Defined benefit obligations cost for the year**			
	Service Cost – Current	16,108	128	8,978
	Interest Cost	5,554	-	4,422
	Expected return on plan assets	(4,260)	-	(3,678)
	Actuarial (gain) / loss	(8,365)	24	64
	Net defined benefit obligations cost	9,037	152	9,786
V	**Investment details of plan assets**			
	100% of the plan assets of NDTV and NDTVM are lying in the Gratuity fund administered through Life Insurance Corporation of India (LIC) and Tata AIG respectively under its Group Gratuity Scheme.			
VI	**The principal assumptions used in determining post-employment benefit obligations are shown below:**			
	Discount Rate	8%		8%
	Future salary increases	5.5%		5.5%
	Expected return on plan assets	9.5%		9%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The demographic assumptions were as per the published rates of "Life Insurance Corporation of India (1994-96) Mortality Table (ultimate), which is considered a standard table.

[1] NDTVM, a subsidiary in the month of February 2007 has paid an advance of Rs. 1,614 thousand to Tata AIG for funding its plan. However, as the plan was formulated in the current year, the same has been considered as plan assets during the current year.

(B) State Plans:

The Group deposits an amount determined at a fixed percentage of Basic pay every month to the state administered provident fund for the benefit of the employees. Accordingly, the Group's contribution during the year that has been charged to revenue amounts to Rs. 74,809 thousand (Previous year Rs. 54,381 thousands).

19. Interest in Joint Ventures

The company's interests, as a venture, in jointly controlled entities as at March 31, 2008 are:

Name of the Company	**Country of Incorporation**	**% Voting power held As at March 31, 2008**
NGEN Media Services Private Limited	India	50%

The following amounts represent the Groups share of the assets and liabilities and revenue and expenses of the joint venture and are included in the consolidated balance sheet and consolidated profit & loss account:

Amount (Rs. '000)

Particulars	**As at March 31, 2008**	**As at March 31, 2007**
Assets		
Fixed Assets	7,159	–
Current Assets	2,725	19,562
Liabilities		
Secured Loans	542	–
Current Liabilities & Provisions	8,188	1,154
Reserves & Surplus	**(18,845)**	**(1,591)**

	Year ended March 31, 2008	**Year ended March 31, 2007**
Revenues		
Sales	537	–
Expenditure	17,613	1,572
Profit before Tax	**(17,076)**	**(1,572)**
Provision for Tax	178	19
Profit after Tax	**(17,254)**	**(1,591)**

20. NDTV Media Limited had allotted 150,000 equity shares of Rs. 10 each to the Chief Executive Officer as 'Sweat Equity' on January 31, 2004 as consideration for the director providing know how including resources and knowledge to NDTV Media Limited in connection with setting up of the distribution set up and development of the channel partners for the broadcasting business. Accordingly, the same had been capitalised in these accounts as 'Technical Know-how' and is being amortised over a period of 5 years from the date of allotment of the shares.

21. Figures pertaining to the subsidiaries / Joint Ventures have been reclassified wherever necessary to bring them in line with the Parent Company's financial statements. Figures of the previous year have been restated, regrouped or reclassified wherever necessary to conform current year's grouping and classification.

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