

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NDTV CONVERGENCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NDTV Convergence Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating

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the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, its profit and its cash flows for the year ended on that date.

Other matters

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the Annexure A statement on the matters specified in paragraph 3 of the order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and



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- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations as at 31 March 2016 which would impact its financial position;
 - ii. The Company has long-term contracts as at 31 March 2016 for which there were no material foreseeable losses. The Company has no outstanding derivative contracts as at 31 March 2016;
 - iii. The Company does not have any dues on account of Investor Education and Protection fund.

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



Rakesh Dewan
Partner

Membership number: 092212

Place: Gurgaon
Date: 5 May 2016

Annexure A referred to in our Independent Auditor's Report of even date to the members of NDTV Convergence Limited on the financial statements for the year ended 31 March 2016.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year. As informed to us, the discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the Company does not hold any immovable property in its name. Accordingly, para 3(i)(c) of the Order is not applicable to the Company.
- (ii) According to the information and explanations given to us, the Company does not hold any physical inventory. Accordingly, para 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, para 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans to any parties specified under section 185 of the Companies Act, 2013. Further, guarantee or security provided and the investments made by the Company are in compliance with section 185 and 186 of the Companies Act, 2013.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, para 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, para 3(vi) of the Order is not applicable to the Company.



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- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, service tax, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise, duty of customs, employees' state insurance, sales tax and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, cess and other statutory dues were in arrears as at 31 March 2016, for a period of more than six months from the date they became payable.

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

(Amount in Rs. million)

Name of the statute	Nature of the dues	Amount	Year to which amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	7.76*	Assessment year 2010-11	Assessing Officer

* Tax deducted at source, including interest amounting to Rs 0.37 million for the Assessment year 2009-10 was adjusted against the demand.

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding dues to any financial institutions, government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, para 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, there has been no fraud by the Company and neither any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, no managerial remuneration has been paid by the Company in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013. Accordingly, para 3 (xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, para 3(xii) of the Order is not applicable to the Company.

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- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, para 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or person connected with him covered by Section 192 of the Act. Accordingly, para 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



Rakesh Dewan
Partner
Membership number: 092212

Place: Gurgaon
Date: 5 May 2016

Annexure B to the Independent Auditor's Report of even date on the financial statements of NDTV Convergence Limited for the year ended 31 March 2016

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

We have audited the internal financial controls over financial reporting of NDTV Convergence Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/ W-100024



Rakesh Dewan

Partner

Membership number: 092212

Place: Gurgaon

Date: 5 May 2016

NDTV Convergence Limited

(in Rs Million)

Balance sheet	Notes	As at	
		March 31, 2016	March 31, 2015
Equity and liabilities			
Shareholders' funds			
Share capital	3	0.67	0.67
Reserves and surplus	4	497.90	437.35
		498.57	438.02
Non-current liabilities			
Long-term borrowings	5	150.00	133.33
Other long-term liabilities	6	50.00	162.35
Long-term provisions	7	11.12	8.74
		211.12	304.42
Current liabilities			
Trade payables	8	-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		263.60	168.52
Other current liabilities	9	215.07	87.79
Short-term provisions	7	0.44	0.35
		479.11	256.66
TOTAL		1,188.80	999.10
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	12.51	12.34
Intangible assets	11	24.18	25.99
Capital work-in-progress		0.36	6.56
Non-current investments	12	131.92	129.95
Deferred tax assets (net)	13	6.07	1.29
Long-term loans and advances	14	385.76	208.00
Other non-current assets	15.2	14.26	29.77
		575.06	413.90
Current assets			
Current investments	16	-	-
Trade receivables	15.1	470.42	462.98
Cash and bank balances	17	101.07	35.88
Short-term loans and advances	14	34.26	83.19
Other current assets	15.2	7.99	3.15
		613.74	585.20
TOTAL		1,188.80	999.10
Summary of significant accounting policies	2		

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

As per our report of even date attached.

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W /W-100024

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


Rakesh Dewan
Partner
Membership No. : 092212


Dr. Prannoy Roy
Director


Radhika Roy
Director

Place : Gurgaon
Date : May 5, 2016


Vikrajaditya Chandra
Group CEO & Director


Saurav Banerjee
Director, Finance & Group CFO

Place: NEW DELHI
Date: May 04, 2016

NDTV Convergence Limited

(in Rs million except per share data)

Statement of Profit and Loss	Notes	Year ended	
		March 31, 2016	March 31, 2015
Income			
Revenue from operations	18	1,145.65	1,003.29
Other income	19	15.73	62.30
Total revenue (I)		1,161.38	1,065.59
Expenses			
Cost of Services	20	265.05	327.47
Employee benefit expense	21	319.85	271.57
Operations and administration expenses	22	176.53	131.77
Marketing, distribution and promotion expenses	23	282.55	111.68
Depreciation and amortisation expense	24	11.84	10.46
Finance costs	25	36.13	10.16
Total (II)		1,091.95	863.11
Profit before tax (I - II)		69.43	202.48
Tax expenses			
Current tax		29.07	60.91
Deferred tax		(4.78)	26.65
Total tax expense		24.29	87.57
Profit for the year		45.14	114.91
Earnings per equity share [nominal value of share Rs.10 per share] (previous year Rs.10 per share)	28		
Basic and Diluted		677.07	1,723.56
Summary of significant accounting policies	2		

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

As per our report of even date attached.


For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W /W-100024

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



Rakesh Dewan
Partner
Membership No. : 092212

Place : **Gurgaon**
Date : **May 5, 2016**



Dr. Pranoy Roy
Director



Radhika Roy
Director



Vikramaditya Chandra
Group CFO & Director

Place: **NEW DELHI**
Date: **MAY 04, 2016**



Saurav Banerjee
Director, Finance & Group CFO

NDTV Convergence Limited

Cash Flow Statements	Notes	(in Rs million)	
		Year ended March 31, 2016	Year ended March 31, 2015
Cash flow from operating activities			
Profit before tax		69.43	202.48
Adjustments for:			
(Gain)/ loss from sale of investment		-	(58.83)
Depreciation/ amortisation		11.84	10.46
Fixed assets written off		0.30	-
Loss/ (Profit) on sale of fixed assets		(0.14)	0.01
Liabilities no longer required written back		(1.50)	(0.66)
Investment written off		1.00	-
Employee stock compensation expense		15.41	19.13
Provision for gratuity		3.97	4.42
Unrealized foreign exchange loss/profit		0.18	(0.12)
Bad debts written off		3.76	-
Provision for doubtful debts		11.28	0.70
Provision for doubtful debts written back		-	(1.07)
Provision for doubtful Advances		0.19	-
Provision for doubtful Advances written back		-	(0.07)
Interest expenses		36.13	10.16
Interest (income)		(8.17)	(3.46)
Operating profit before working capital changes		143.68	183.15
Movements in working capital:			
Increase/ (decrease) in trade payables		96.22	81.67
Increase / (decrease) in long-term provisions		(1.59)	(0.20)
Increase / (decrease) in short-term provisions		0.09	0.20
Increase/ (decrease) in other current liabilities		54.62	(53.42)
Increase/ (decrease) in other long-term liabilities		(112.35)	82.35
Decrease / (increase) in trade receivables		(22.30)	(207.97)
Decrease / (increase) in long-term loans and advances		(99.33)	(201.09)
Decrease / (increase) in short-term loans and advances		5.43	(22.35)
Decrease / (increase) in other current assets		(5.00)	(2.39)
Decrease / (increase) in other non-current assets		-	(5.96)
Cash generated from / (used in) operations		59.47	(146.01)
Income taxes (paid)/refunded		(64.17)	(64.52)
Net cash flow from/ (used in) operating activities (A)		(4.70)	(210.53)
Cash flows from investing activities			
Purchase of fixed assets, including capital work in progress and capital advances		(12.41)	(13.74)
Proceeds from sale of fixed assets and capital work in progress		6.63	0.11
Proceeds from sale of investments		-	109.08
Purchase of investments		(2.97)	-
Net proceeds from fixed deposits		(43.23)	(33.71)
Interest received		8.01	2.81
Net cash flow from/ (used in) investing activities (B)		(43.97)	64.55
Cash flows from financing activities			
Proceeds from long-term borrowings		66.67	160.00
Repayment of long term borrowings		(50.00)	-
Proceeds from short-term borrowings		73.33	-
Interest paid		(32.81)	(8.46)
Net cash flow from/ (used in) financing activities (C)		57.19	151.54
Net increase in cash and cash equivalents (A + B + C)		8.52	5.56
Cash and cash equivalents at the beginning of the year		25.88	20.32
Cash and cash equivalents at the end of the year		34.40	25.88
Components of cash and cash equivalents		As at March 31, 2016	As at March 31, 2015
Cash on hand			
With banks		0.07	0.02
in current account			
in deposit account		14.26	5.86
Total cash and cash equivalents	17	20.07	20.00
		34.40	25.88
Summary of significant accounting policies	2		

Notes

- The above cash flow statement has been prepared under the indirect method set out in Accounting Standard-3 as notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended].
- Figures in brackets indicate cash outflow.
- Previous year's figures has been reclassified to conform to the current year's classification.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

Rakesh Dewan

Partner

Membership No. : 092212

Place: **Gurgaon**
Date: **May 05, 2016**

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

Dr. Pranoy Roy
Director

Radhika Roy
Director

Vikramditya Chandra
Group CEO & Director

Surav Banerjee
Director, Finance & Group CFO

Place: **NEW DELHI**
Date: **MAY 04, 2016**

NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

1. Corporate information

The Company was incorporated on December 13, 2006 under the provisions of the Companies Act, 1956 and it commenced operations on January 1, 2007 with the purchase of existing website from New Delhi Television Limited, its ultimate parent company. The Company maintains and operates ndtv.com and other web sites. The Company is also a content provider to Mobile VAS operators.

2. Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared and presented under the historical convention on a going concern basis, on the accrual basis of accounting and comply with the Accounting Standards specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest million.

All assets and liabilities have been classified as current or non-current in accordance with the Company's operating cycle and other relevant criteria. Based on the nature of the product or services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

2.2 Use of estimates

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

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

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

2.3 Tangible assets

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

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

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

Asset head	Useful life (years)
Computers	3-6

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

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

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

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

2.4 Intangible assets

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

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

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

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

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

2.5 Leases

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



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

2.6 Impairment of tangible and intangible assets

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

2.7 Revenue recognition

Revenue from advertising is recognized in the period for which services have been provided.

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

Revenue from sale of licenses and services is recognized as per terms of contract when no significant uncertainty exists with respect to ultimate collection.

Revenue from content provided to Mobile VAS operators is recognized when services are rendered and no significant uncertainty exists with respect to ultimate collection.

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

Revenues from production arrangements are recognized when the contract period begins and the programming is available for telecast pursuant to the terms of the agreement. Typically the milestone is reached when the finished product has been delivered or made available to and accepted by the customer.

2.8 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments".

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

2.9 Foreign currency transactions

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

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

2.10 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Defined contribution plans

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

Defined benefit plans

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

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

2.11 Employee share based payments

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 amortized over the vesting period in accordance with the accounting treatment.

2.12 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, except when the results will be anti-dilutive.



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

2.13 Other income

Interest income : Interest income is recognised on a proportion of time basis taking into account the principal outstanding and the rate applicable.

2.14 Unamortised finance charges

Costs incurred in raising funds are amortized on straight line basis over the period for which the funds have been obtained, using time proportionate basis.

2.15 Taxes on income

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

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

2.16 Cash and cash equivalents

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



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

3. Share capital

(in Rs Million)

	As at March 31, 2016	As at March 31, 2015
Authorised		
3,000,000 (Previous Year 3,000,000) Equity shares of Rs. 10 each	30.00	30.00
23,000,000 (Previous Year 23,000,000) Preference shares of Rs. 10 each	230.00	230.00
Issued, subscribed and fully paid-up equity shares		
66,671 (Previous Year 66,671) Equity shares of Rs. 10 each, fully paid up	0.67	0.67
Total	0.67	0.67

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at March 31, 2016		As at March 31, 2015	
	Numbers	Rs in millions	Numbers	Rs in millions
At the beginning of the year	66,671	0.67	66,671	0.67
Outstanding at the end of the year	66,671	0.67	66,671	0.67

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

Equity shares	As at March 31, 2016		As at March 31, 2015	
	Numbers	Rs in millions	Numbers	Rs in millions
Equity shares of Rs. 10 each fully paid up held by:				
NDTV Networks Limited, holding company	50,003	0.50	50,003	0.50
New Delhi Television Limited, ultimate holding company	11,334	0.11	11,334	0.11
	61,337	0.61	61,337	0.61

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

Name of the shareholder	As at March 31, 2016		As at March 31, 2015	
	Numbers	% holding	Numbers	% holding
Equity shares of Rs. 10 each fully paid up held by:				
NDTV Networks Limited	50,003	75%	50,003	75%
New Delhi Television Limited	11,334	17%	11,334	17%

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

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible to one vote per share held. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

4. Reserves and surplus

(in Rs Million)

	As at March 31, 2016	As at March 31, 2015
Securities premium account		
Balance as at the beginning of the year	236.35	236.35
Balance as at the end of the year	236.35	236.35
Employee stock options outstanding account		
Compensation for options granted till date	49.04	33.87
Less: deferred employee stock compensation	(11.30)	(11.54)
Closing Balance	37.74	22.33
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	178.67	63.76
Profit for the year	45.14	114.91
Balance as at the end of the year	223.81	178.67
Total Reserves and surplus	497.90	437.35



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

5. Long-term borrowings

(in Rs million)

	Non-current portion		Current maturities	
	As at	As at	As at	As at
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Secured				
Term loan from bank	150.00	133.33	100.00	26.67
	150.00	133.33	100.00	26.67
Amount disclosed under the head "Other current liabilities" (refer note 9)	-	-	(100.00)	(26.67)
	150.00	133.33	-	-

The nature of security and key terms of repayment are as follows:

Nature of Security	Terms of Repayment
The term loan from bank amounting to Rs.250 million(previous year Rs.160 million)are secured by :	36 equal monthly instalments amounting to Rs.8.33 million each after moratorium of 12 months from the date of first disbursement. i.e. September 30, 2014
1) Charge on all current and fixed assets of the Company, inter alia:	During the year, the Company has repaid 6 equal installments starting 30th October 2015, amounting Rs.50 million.
a) Fixed Deposits of Rs.35 million (previous year Rs.18.67 million) under lien with bank	
b) Fixed Deposit of Rs.9.45 million (previous year Rs.5.04 million) equivalent to 3 months interest on Term loan under lien with bank.	Rate of Interest is bank's base rate plus 1.75% per annum payable on monthly rests. Effective rate of interest as on March 31, 2016 is 12% per annum.
2) The ultimate holding company* and the holding company have issued an unconditional and irrevocable guarantees in favour of the Company to the extent of Rs.350 million and Rs.300 million respectively. These guarantees are valid till the tenure of the loan.	
3) The ultimate holding company has created a charge in favour of bank on its under construction properties of Rs.50 million.	

* The Company has paid Rs. Nil (previous year Rs.0.80 million) to the ultimate holding company as guarantee commission.

6. Other long-term liabilities

(in Rs million)

	As at	As at
	March 31, 2016	March 31, 2015
Income received in advance/deferred income	-	127.35
Security deposit	50.00	35.00
	50.00	162.35

7. Provisions

(in Rs million)

	Long term		Short term	
	As at	As at	As at	As at
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Provision for employee benefits				
Provision for gratuity (refer note 26)	11.12	8.74	0.44	0.35
	11.12	8.74	0.44	0.35

8. Trade payables

(in Rs million)

	As at	As at
	March 31, 2016	March 31, 2015
Trade Payable		
-total outstanding dues of micro enterprises and small enterprises (refer note 34)	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	263.60	168.52
	263.60	168.52

9. Other current liabilities

(in Rs million)

	As at	As at
	March 31, 2016	March 31, 2015
Current maturities of long term borrowings (refer note 5)	100.00	26.67
Book overdraft	-	2.64
Statutory dues	12.25	9.65
Interest accrued on borrowings (refer note 5)	2.63	1.70
Employee benefits payable	43.74	41.08
Income received in advance/deferred income	55.32	3.60
Advance from customers	0.67	0.39
Payable against purchase of fixed assets	0.46	2.06
	215.07	87.79



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

10. Tangible assets

						(in Rs million)
	Computers	Office equipments	Plant and machinery	Furnitures and fixtures	Vehicles	Total
Gross Block						
As at April 01, 2015	22.71	3.33	2.25	-	0.69	28.98
Additions	4.69	0.74	2.46	0.12	-	8.01
Disposals	4.39	0.63	0.11	0.07	-	5.20
As at March 31, 2016	23.01	3.44	4.60	0.05	0.69	31.79
Depreciation						
As at April 01, 2015	13.43	1.99	1.06	-	0.16	16.64
Charge for the year	2.99	0.88	0.53	0.02	0.13	4.55
Disposals	1.42	0.49	-	-	-	1.91
As at March 31, 2016	15.00	2.38	1.59	0.02	0.29	19.28
Net Block						
As at March 31, 2016	8.01	1.06	3.01	0.03	0.40	12.51

						(in Rs million)
	Computers	Office equipments	Plant and machinery	Furnitures and fixtures	Vehicles	Total
Gross Block						
As at April 01, 2014	17.42	2.43	2.25	-	0.69	22.79
Additions	5.41	1.08	-	-	-	6.49
Disposals	0.12	0.18	-	-	-	0.30
As at March 31, 2015	22.71	3.33	2.25	-	0.69	28.98
Depreciation						
As at April 01, 2014	10.84	1.35	0.74	-	0.03	12.96
Charge for the year	2.60	0.80	0.32	-	0.13	3.85
Disposals	0.01	0.16	-	-	-	0.17
As at March 31, 2015	13.43	1.99	1.06	-	0.16	16.64
Net Block						
As at March 31, 2015	9.28	1.34	1.19	-	0.53	12.34

11. Intangible assets

				(in Rs million)
	Computer softwares	Websites	Total	
Gross block				
As at April 01, 2015	29.96	22.52	52.48	
Additions	1.36	4.12	5.48	
As at March 31, 2016	31.32	26.64	57.96	
Amortisation				
As at April 01, 2015	13.65	12.84	26.49	
Charge for the year	4.65	2.64	7.29	
As at March 31, 2016	18.30	15.48	33.78	
Net block				
As at March 31, 2016	13.02	11.16	24.18	

				(in Rs million)
	Computer softwares	Websites	Total	
Gross block				
As at April 01, 2014	27.80	21.47	49.27	
Additions	2.16	1.05	3.21	
As at March 31, 2015	29.96	22.52	52.48	
Amortisation				
As at April 01, 2014	9.32	10.56	19.88	
Charge for the year	4.33	2.28	6.61	
As at March 31, 2015	13.65	12.84	26.49	
Net block				
As at March 31, 2015	16.31	9.68	25.99	



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

12. Non-current investments	(in Rs million)	
	As at March 31, 2016	As at March 31, 2015
Trade investments (valued at cost unless stated otherwise)		
Unquoted		
Investment in Associate		
NDTV Ethnic Retail Limited (refer note 37)	129.95	129.95
-32,314(Previous Year 32,314) equity shares of Rs.4,021.22 each fully paid up		
Fifth Gear Ventures Limited (refer note 37)		
-21,000 (Previous Year Rs.Nil) equity shares of Rs.10 each fully paid up	0.21	-
On Demand Transportation Technologies Limited (refer note 37)		
- 25,000(Previous Year Rs. Nil) equity shares of Rs.10 each fully paid up	0.25	-
Special Occasions Limited (refer note 37)		
- 25,000 (Previous Year Rs. Nil) equity shares of Rs.10 each fully paid up	0.25	-
Brick Buy Brick Project Limited (refer note 37)		
- 20,000 (Previous Year Rs. Nil) equity shares of Rs.10 each fully paid up	0.20	-
Redster Digital Limited (refer note 37)		
- 20,000 (Previous Year Rs. Nil) equity shares of Rs.10 each fully paid up	0.25	-
OnArt Quest Limited (refer note 37)		
- 21,250 (Previous Year Rs. Nil) equity shares of Rs.10 each fully paid up	0.21	-
Investment in Subsidiaries		
Red Pixels Ventures Limited (refer note 37)		
-30,000(Previous year Rs. Nil) equity shares of Rs.10 each fully paid up	0.30	-
SmartCooky Internet Limited (refer note 37)		
-30,000 (Previous Year Rs. Nil) equity shares of Rs.10 each fully paid up	0.30	-
	131.92	129.95
Aggregate amount of unquoted investments	131.92	129.95

13. Deferred tax asset (net)	(in Rs million)	
	As at March 31, 2016	As at March 31, 2015
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged as per the books	(7.04)	(6.81)
Sub Total (A)	(7.04)	(6.81)
Deferred tax asset		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	3.82	2.80
Provision for doubtful debts and advances	9.29	5.30
Sub Total (B)	13.11	8.10
Net deferred tax asset (A+B)	6.07	1.29

14. Loans and advances	(in Rs million)			
	Long term		Short term	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Security deposit				
Unsecured, considered good	1.57	1.57	-	0.19
Unsecured, considered doubtful	0.69	0.50	-	-
	2.26	2.07	-	0.19
Provision for doubtful security deposit	(0.69)	(0.50)	-	-
	1.57	1.57	-	0.19
Loans and advances to related parties				
Security deposit *	300.00	160.00	-	-
Capital advances	-	-	1.30	-
Advances to suppliers **	-	40.67	7.49	1.56
	300.00	200.67	8.79	1.56
Advances recoverable in cash or kind				
Unsecured considered good	-	-	0.54	0.34
Other loans and advances				
(Unsecured, considered good)				
Advance income-tax (net of provision of income tax of Rs.153.64 million) (Previous Year Rs.124.57 million)	84.19	5.76	-	43.31
Prepaid expenses	-	-	6.81	5.43
Advances and imprest to employees	-	-	2.06	1.69
Due from government authorities	-	-	16.06	30.67
	385.76	208.00	34.26	83.19

* represent amount recoverable from New Delhi Television Limited on account of security deposit

** represent advance given to New Delhi Television Limited



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

15.1 Trade receivables

(in Rs million)

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	17.87	24.45
Unsecured, considered doubtful	27.41	16.64
	<u>45.28</u>	<u>41.09</u>
Provision for doubtful receivables	(27.41)	(16.64)
	<u>17.87</u>	<u>24.45</u>
Others		
Unsecured, considered good	452.55	438.53
	<u>452.55</u>	<u>438.53</u>
	<u><u>470.42</u></u>	<u><u>462.98</u></u>

15.2. Other assets

(in Rs million)

	Non current		Current	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Bank deposits(due to mature after 12 months from the reporting date*)[refer note 17 and 5]	10.37	23.81	-	-
Unamortised finance charges	3.57	5.96	2.39	2.39
Interest accrued on fixed deposits	0.32	-	0.60	0.76
Unbilled Revenue	-	-	5.00	-
Total	<u>14.26</u>	<u>29.77</u>	<u>7.99</u>	<u>3.15</u>

* Includes deposits amounting to Rs.9.45 million held as lien by bank against long term borrowings.

16. Current investments

(in Rs million)

	As at March 31, 2016	As at March 31, 2015
Valued at cost unless stated otherwise		
Unquoted		
Investment in associate		
BrickbuyBrickVentures Ltd *		
-19,000 (Previous Year Rs. Nil) Equity Shares of Rs.10 each fully paid up	-	-
Fifth Gear Auto Ltd *		
-23,750 (Previous Year Rs. Nil) Equity Shares of Rs.10 each fully paid up	-	-
Investment in Subsidiaries		
Red Pixel Gadgets Ltd. *		
-28,500 (Previous Year Rs. Nil) Equity Shares of Rs.10 each fully paid up	-	-
Smart Cookie Ventures Ltd *		
-28,500 (Previous Year Rs. Nil) Equity Shares of Rs.10 each fully paid up	-	-
Total	<u>-</u>	<u>-</u>

* On account of internal rearrangement of the group companies, new companies were incorporated to carry on business activities which would have otherwise been carried on by these companies. Since, these companies would not be carrying on any business activities the Board of Directors of these companies in their meeting held on December 2, 2015 approved the proposal to make an application to the Registrar of Companies (ROC) for striking off the name of these companies from the Register of Companies maintained by the ROC under the "Fast Track Exit Scheme". After the approval of ROC, these companies will cease to exist. The aforementioned investments have been completely written off during the year.

17. Cash and bank balances

(in Rs million)

	Non current		Current	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents				
Cash in hand	-	-	0.07	0.02
Balances with banks:				
Current accounts	-	-	14.26	5.86
Deposits with original maturity of less than three months(Refer note 5)	-	-	20.07	20.00
	<u>-</u>	<u>-</u>	<u>34.40</u>	<u>25.88</u>
Other bank balances				
Deposits due to mature within 12 months of the reporting date ** (Refer note 5)	-	-	31.67	10.00
Deposits due to mature after 12 months of the reporting date	0.81	-	-	-
Margin money deposit (Refer note 5)	9.55	23.81	35.00	-
Amount disclosed under "other non-current assets" (note 15.2)	(10.36)	(23.81)	-	-
	<u>-</u>	<u>-</u>	<u>101.07</u>	<u>35.88</u>

* Includes deposits amounting to Rs.16.33 million held as lien by bank against long term borrowings.

** Includes deposits amounting to Rs.18.67 million held as lien by bank against long term borrowings.



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Notes to financial statements for the year ended March 31, 2016

18. Revenue from operations

(in Rs million)

	Year ended March 31,2016	Year ended March 31,2015
Revenue from operations		
Advertisement revenue	819.55	699.05
Mobile VAS revenue	211.14	231.70
Event revenue	39.53	21.97
Consultancy	48.89	15.84
Sale of license	1.25	17.24
Other business income	23.79	15.65
Other operating revenue		
Liabilities for operating expenses written back	1.50	0.66
Provision for doubtful debts written back	-	1.07
Provision for doubtful advances written back	-	0.11
Total	1,145.65	1,003.29

19. Other income

(in Rs million)

	Year ended March 31,2016	Year ended March 31,2015
Interest income on bank deposits	8.17	3.46
Foreign exchange fluctuation (net)	5.18	-
Profit on sale of fixed assets	0.14	-
Gain on sale of investment in an associate (refer note 37)	-	58.83
Miscellaneous income	2.24	0.01
Total	15.73	62.30

20. Cost of services

(in Rs million)

	Year ended March 31,2016	Year ended March 31,2015
Consultancy and professional fee	18.32	15.01
Subscription, footage and news service (refer note 41)	48.84	130.57
Website hosting and streaming	120.05	115.76
Production expenses	60.34	45.01
Travelling	5.81	9.90
Trade mark/License fee	11.69	11.22
Total	265.05	327.47

21. Employee benefits expense

(in Rs million)

	Year ended March 31,2016	Year ended March 31,2015
Salaries, wages and other benefits	286.15	238.72
Contribution to provident fund	14.68	10.77
Staff welfare	3.61	2.95
Employee stock compensation expenses [includes Rs 1.81 million related to previous period (previous year Rs Nil)]	15.41	19.13
Total	319.85	271.57



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Notes to financial statements for the year ended March 31, 2016

22. Operations and administration expenses

	(in Rs million)	
	Year ended March 31,2016	Year ended March 31,2015
Rent	19.42	11.83
Rates and taxes	1.50	12.17
Electricity and water	6.57	4.44
Printing and stationery	0.18	0.20
Postage and courier	0.11	0.07
Books, periodicals and news papers	4.98	3.54
Local conveyance , travelling and taxi hire	5.27	4.31
Business promotion	2.12	1.66
- Plant and machinery	1.08	1.09
Expenditure towards corporate social responsibility (refer note 39)	2.26	1.72
Auditors remuneration*	1.03	0.93
Bank charges	0.61	0.60
Insurance	5.71	4.67
Communication	8.78	6.58
Vehicle running and maintenance	25.04	17.43
Staff training	1.11	-
Provision for doubtful debts	11.28	0.70
Provision for doubtful advances	0.19	-
Bad debt and doubtful advances written off	-	-
Less: Adjusted with provision	4.27 (0.51)	78.28 (78.25)
Legal, professional and consultancy	71.68	59.17
Loss on sale of fixed assets	-	0.01
Fixed asset written off	0.30	-
Provision for investment written off (refer note 16)	1.00	-
Foreign exchange loss - net	-	0.08
Miscellaneous	2.55	0.54
Total	176.53	131.77

*** Auditors Remuneration**

	(in Rs million)	
	Year ended March 31,2016	Year ended March 31,2015
As auditor:		
Audit fee	0.95	0.85
Reimbursement of expenses	0.08	0.08
Total	1.03	0.93

23. Marketing, distribution and promotion expenses

	(in Rs million)	
	Year ended March 31,2016	Year ended March 31,2015
WEB, WAP and APP marketing	88.76	31.75
Mobile VAS marketing	127.27	56.25
Others	66.52	23.68
	282.55	111.68

24. Depreciation and amortisation expense

	(in Rs million)	
	Year ended March 31,2016	Year ended March 31,2015
Depreciation of tangible assets	4.55	3.85
Amortisation of intangible assets	7.29	6.61
	11.84	10.46

25. Finance costs

	(in Rs. Million)	
	Year ended March 31,2016	Year ended March 31,2015
Interest		
Long term borrowings (refer note 5)	33.72	6.60
Short term borrowings (refer note 39)	-	0.14
Others	0.02	1.42
Amortization of finance charges	2.39	1.20
Guarantee commission (refer note 5)	-	0.80
Total	36.13	10.16

NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

26. Post-employment benefit plan (Gratuity)

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. The Company recognizes the actuarial gains and losses in the Statement of Profit & Loss 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:

Particulars	(in Rs million)	
	Year ended March 31, 2016	Year ended March 31, 2015
Changes in the present value of the obligation:		
Obligations at year beginning	9.09	4.67
Service Cost – Current	1.87	1.44
Service Cost – Past	-	(0.52)
Acquisition Adjustment	(0.74)	-
Interest Cost	0.68	0.43
Actuarial (gain) / loss	1.42	3.07
Benefit paid	(0.76)	-
Obligations at year end	<u>11.56</u>	<u>9.09</u>
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	11.56	9.09
Fair value of the plan assets at the end of the year	-	-
Liability recognized in the Balance Sheet	<u>11.56</u>	<u>9.09</u>
Expense recognised in the Statement of Profit and Loss		
Service Cost – Current	1.87	1.44
Service Cost – Past	-	(0.52)
Interest Cost	0.68	0.43
Actuarial (gain) / loss	1.42	3.07
Total cost included in the employee benefits	<u>3.97</u>	<u>4.42</u>

The principal assumptions used in determining post-employment benefit obligations are shown below

Discount rate	7.70%	7.80%
Future salary increases	20% for 1st year, 15% for 2nd year, 10% for 3rd year, 7.5% for 4th year and 5% thereafter.	20% for 1st year, 15% for 2nd year, 10% for 3rd year, 7.5% for 4th year and 5% thereafter.
Expected return on plan assets	-	-

Experience adjustments

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
	(Gain) / Loss on Plan Liabilities	1.27	(0.08)	0.99	0.66
% of Opening Plan Liabilities	14%	-2%	27%	30%	

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 (2006-08) Mortality Table (ultimate), which is considered a standard table.

Expected contribution to gratuity fund for next financial year is Rs.2.24 million (previous year Rs.1.76 million).



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

27. Related party disclosures

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:

New Delhi Television Limited	Ultimate Holding Company
NDTV Networks Limited	Holding Company
NDTV Media Limited	Fellow Subsidiary
NDTV Labs Limited	Fellow Subsidiary
NDTV Lifestyle Limited	Fellow Subsidiary
NDTV Worldwide Limited	Fellow Subsidiary
NDTV Lifestyle Holdings Limited	Fellow Subsidiary
Red Pixels Ventures Limited	Subsidiary
SmartCooky Internet Limited	Subsidiary
Red Pixel Gadgets Limited	Subsidiary
SmartCooky Ventures Limited	Subsidiary
BrickbuyBrick Ventures Limited	Associate
Fifth Gear Ventures Limited	Associate
Fifth Gear Auto Limited	Associate
Special Occasions Limited	Associate
On Demand Transportation Technologies Limited	Associate
BrickBuyBrick Projects Limited	Associate
Redster Digital Limited	Associate
OnArt Quest Limited	Associate
NDTV Ethnic Retail Limited	Associate

Key management Personnel (KMP) and their relatives

Dr. Prannoy Roy	Director
Radhika Roy	Director
K.V.L. Narayan Rao	Director
Vikramadiya Chandra	Group CEO & Director
Saurav Banerjee	Director, Finance & Group CFO
Seema Chandra	Relative of Director



NDTV Convergence Limited
Notes to financial statements for the year ended March 31, 2016

Related party transactions

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

Nature of relationship / transaction	Ultimate holding company		Holding company		Fellow subsidiaries		Subsidiaries		Associate		Relatives		KMP		Total		
	Year ended March 31,	2015	Year ended March 31,	2015	Year ended March 31,	2015	Year ended March 31,	2015	Year ended March 31,	2015	Year ended March 31,	2015	Year ended March 31,	2015	Year ended March 31,	2015	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
Rendring of services																	
NDTV Lifestyle Limited	-	-	-	0.34	-	-	-	-	-	-	-	-	-	-	0.34	-	-
NDTV Labs Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NDTV Worldwide Limited	-	-	-	-	17.24	-	-	-	-	-	-	-	-	-	-	17.24	-
NDTV Ethnic Retail Limited	-	-	-	-	-	-	-	-	36.77	13.51	-	-	-	-	36.77	13.51	-
New Delhi Television Limited	224.01	91.59	-	-	-	-	-	-	-	-	-	-	-	-	224.01	91.59	-
Payment for Trade mark fees																	
New Delhi Television Limited	11.69	11.22	-	-	-	-	-	-	-	-	-	-	-	-	11.69	11.22	-
Services availed of																	
NDTV Lifestyle Limited	-	-	-	4.52	24.98	-	-	-	-	-	-	-	-	-	4.52	24.98	-
New Delhi Television Limited	90.24	46.75	-	-	-	-	-	-	-	-	-	-	-	-	90.24	46.75	-
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses incurred on our behalf																	
NDTV Lifestyle Limited	-	-	-	2.35	-	-	-	-	-	-	-	-	-	-	2.35	-	-
NDTV Media Ltd	-	-	-	0.07	0.03	-	-	-	-	-	-	-	-	-	0.07	0.03	-
SmartCooky Internet Limited	-	-	-	-	-	-	1.43	-	-	-	-	-	-	-	1.43	-	-
New Delhi Television Limited	22.89	22.03	-	-	-	-	-	-	-	-	-	-	-	-	22.89	22.03	-
Reimbursement of expenses incurred on behalf of others																	
Red Pixels Ventures Limited	-	-	-	-	-	17.17	-	-	-	-	-	-	-	-	17.17	-	-
SmartCooky Internet Limited	-	-	-	-	-	10.05	-	-	-	-	-	-	-	-	10.05	-	-
Brickbuz/Brick Ventures Limited	-	-	-	-	-	-	-	-	0.03	-	-	-	-	-	0.03	-	-
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	7.86	-	-	-	-	-	7.86	-	-
Special Occasions Limited	-	-	-	-	-	-	-	-	3.59	-	-	-	-	-	3.59	-	-
Onart Quest Limited	-	-	-	-	-	-	-	-	0.51	-	-	-	-	-	0.51	-	-
NDTV Ethnic Retail Limited	-	-	-	-	-	-	-	-	-	2.14	-	-	-	-	-	2.14	-
NDTV Worldwide Limited	-	-	-	3.51	8.70	-	-	-	-	-	-	-	-	-	3.51	8.70	-
Rent Paid																	
New Delhi Television Limited	18.54	11.24	-	-	-	-	-	-	-	-	-	-	-	-	18.54	11.24	-
Shared service cost																	
New Delhi Television Limited	52.15	36.55	-	-	-	-	-	-	-	-	-	-	-	-	52.15	36.55	-
Programs purchased																	
New Delhi Television Limited	21.64	14.31	-	-	-	-	-	-	-	-	-	-	-	-	21.64	14.31	-
Sale of fixed asset																	
Red Pixels Ventures Limited	-	-	-	-	-	4.71	-	-	-	-	-	-	-	-	4.71	-	-
SmartCooky Internet Limited	-	-	-	-	-	1.03	-	-	-	-	-	-	-	-	1.03	-	-
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	9.16	-	-	-	-	-	9.16	-	-
Archive content charges paid																	
New Delhi Television Limited	-	66.00	-	-	-	-	-	-	-	-	-	-	-	-	-	66.00	-
Corporate social responsibility																	
New Delhi Television Limited	-	1.48	-	-	-	-	-	-	-	-	-	-	-	-	-	1.48	-
Corporate guarantee given																	
New Delhi Television Limited	-	350.00	-	-	-	-	-	-	-	-	-	-	-	-	-	350.00	-
NDTV Networks Limited	-	-	-	300.00	-	-	-	-	-	-	-	-	-	-	-	300.00	-
Guarantee commission paid																	
New Delhi Television Limited	-	0.80	-	-	-	-	-	-	-	-	-	-	-	-	-	0.80	-



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

Nature of relationship / transaction	Ultimate holding company		Holding company		Fellow subsidiaries		Subsidiaries		Associate		Relatives		KMP		Total	
	Year ended March 31, 2016	2015	Year ended March 31, 2016	2015	Year ended March 31, 2016	2015	Year ended March 31, 2016	2015	Year ended March 31, 2016	Year ended March 31, 2015	2016	Year ended March 31, 2015	2016	Year ended March 31, 2015	2016	
Pledge of under construction property																
New Delhi Television Limited	-	50.00	-	-	-	-	-	-	-	-	-	-	-	-	-	50.00
Investment																
Red Pixels Ventures Limited	-	-	-	-	-	-	0.30	-	-	-	-	-	-	-	0.30	-
Red Pixel Gadgets Limited	-	-	-	-	-	-	0.29	-	-	-	-	-	-	-	0.29	-
SmartCooky Internet Limited	-	-	-	-	-	-	0.30	-	-	-	-	-	-	-	0.30	-
SmartCooky Ventures Limited	-	-	-	-	-	-	0.29	-	-	-	-	-	-	-	0.29	-
BrickbyBrick Ventures Limited	-	-	-	-	-	-	-	0.19	-	-	-	-	-	-	0.19	-
Fifth Gear Ventures Limited	-	-	-	-	-	-	-	0.21	-	-	-	-	-	-	0.21	-
Fifth Gear Auto Limited	-	-	-	-	-	-	-	0.24	-	-	-	-	-	-	0.24	-
Special Occasions Limited	-	-	-	-	-	-	-	0.25	-	-	-	-	-	-	0.25	-
On Demand Transportation Technologies Limited	-	-	-	-	-	-	-	0.25	-	-	-	-	-	-	0.25	-
BrickBuyBrick Projects Limited	-	-	-	-	-	-	-	0.20	-	-	-	-	-	-	0.20	-
Redster Digital Limited	-	-	-	-	-	-	-	0.25	-	-	-	-	-	-	0.25	-
OnArt Quest Limited	-	-	-	-	-	-	-	0.21	-	-	-	-	-	-	0.21	-
Sale of Investment																
NDTV Lifestyle Holdings Limited	-	-	-	-	-	109.08	-	-	-	-	-	-	-	-	-	109.08
Security Deposit received																
New Delhi Television Limited	15.00	35.00	-	-	-	-	-	-	-	-	-	-	-	-	15.00	35.00
Security Deposit paid																
New Delhi Television Limited	140.00	160.00	-	-	-	-	-	-	-	-	-	-	-	-	140.00	160.00
Income received in advance																
NDTV Ethnic Retail Limited	-	-	-	-	-	-	-	-	55.32	130.95	-	-	-	-	55.32	130.95
Advance for Advertisement Sales																
New Delhi Television Ltd	7.49	-	-	-	-	-	-	-	-	42.23	-	-	-	-	7.49	42.23
Professional consultancy fees																
Seema Chandra	-	-	-	-	-	-	-	-	-	-	3.46	2.43	-	-	3.46	2.43
Mr. K. V. L. Narayan Rao	-	-	-	-	-	-	-	-	-	-	-	-	5.02	-	5.02	-
Remuneration to key managerial personnel																
Dr. Pranroy Roy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.40
Mr. K. V. L. Narayan Rao	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.07

Amount due to/from related parties as on March 31, 2016

Particulars	Ultimate holding company		Fellow subsidiary		Subsidiaries		Associate	
	As at March 31, 2016	2015	As at March 31, 2016	2015	As at March 31, 2016	2015	As at March 31, 2016	2015
Receivable								
Trade receivables	118.43	41.54	2.14	27.57	16.97	-	23.94	21.62
Loans and advances	7.49	42.23	-	-	-	-	-	-
Security deposit paid	300.00	160.00	-	-	-	-	-	-
Payable								
Trade payable	107.36	59.46	12.15	23.95	2.88	-	0.02	-
Security deposit received	50.00	35.00	-	-	-	-	-	-
Income received in advance	-	-	-	-	-	-	55.32	130.95



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

28. Earnings per share (EPS)

	(in Rs million Except per share data)	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Profit attributable to equity shareholders	45.14	114.91
Number of equity shares outstanding at the beginning of the year (Nos.)	66,671	66,671
Add: Fresh issue of equity shares (No's)	-	-
Number of equity shares outstanding at year end (Nos.)	66,671	66,671
Weighted average number of equity shares outstanding during the year for Basic EPS (Nos.)	66,671	66,671
Weighted average number of equity shares outstanding during the year for Diluted EPS (Nos.)	66,671	66,671
Basic Earnings per equity share (Rs.)	677.07	1,723.56
Diluted Earnings per equity share (Rs.)	677.07	1,723.56
Nominal Value per share (Rs)	10	10

29. Employee stock option plans

Description of share-based payment arrangements

As at March 31, 2016 the Company has the following share-based payment arrangement for employees:

Employee Stock Option Plan - ESOP (CONVERGENCE) - 2007

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

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

Grant date/employees entitled

	Number of options granted	Vesting conditions	Contractual life of options
Opening outstanding options as of April 1, 2015 granted to the employees of the Company	3,029	Refer notes	4-12 years
Total share options as of March 31, 2016	3,029		

Note:

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

Reconciliation of outstanding share options

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of options	Weighted average exercise price (Amount in Rs)	No. of options	Weighted average exercise price (Amount in Rs)
Outstanding at the beginning of the year	3,029	10	1,934	10
Granted during the period	-	-	1,095	10
Outstanding at the end of the period	3,029	10	3,029	10
Exercisable at the end of the period	967	10	-	-

The options outstanding at March 31, 2016 have an exercise price of Rs.10 and a weighted average contractual life of 9.98 years.

As permitted by the guidance note on the subject issued by the Institute of Chartered Accounts of India, the Company has elected to account for stock options based on their intrinsic value (i.e. the excess of quoted market price of the underlying share over the exercise price) at the grant date rather than their fair value at that date. Had the compensation cost for employee stock options been determined on the basis of the fair value approach as described in the ICAI guidance note, the Company's net profit after tax and basic earnings per share would have been as per the proforma amounts shown below:

Particulars	(in Rs million except per share data)	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Net profit as reported	45.18	114.91
Add: Employee stock option compensation expense as per intrinsic value method [includes Rs 1.81 million related to previous period]	15.41	19.13
Less: Employee stock option compensation expense as per fair value [includes Rs 1.81 million related to previous period]	(15.40)	(19.12)
Adjusted proforma net profit	45.18	114.91
Profit per share		
As reported - basic	677.61	1,723.49
As reported - diluted	677.61	1,723.49
Adjusted proforma - basic	677.70	1,723.58
Adjusted proforma - diluted	677.70	1,723.58

For purposes of the above proforma disclosures, the weighted average grant date fair value of options granted during the previous year was Rs 13,859

The inputs used in the measurement of grant-date fair values are as follows:

Particulars	Year ended March 31, 2015
Share price (in Rs)	13,865
Exercise price (in Rs)	10
Expected volatility *	0.00%
Expected life	6 - 8 years
Expected dividend	0.00%
Risk-free interest rate	7.86% - 8.0%

*As the company is unlisted, the volatility has been considered as zero



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

30. Capital commitments

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of capital advances) is Rs. Nil (Previous year Rs.1.87 million)

31. Contingent liabilities

Bank guarantees for Rs.0.10 million (Previous year Rs.0.10 million) in favour of government authorities towards VAT registration.

32. Expenditure in foreign currency

(in Rs million)

	Year ended March 31, 2016	Year ended March 31, 2015
Subscription, footage and news service	6.84	6.37
Website hosting and streaming	40.66	36.88
Travelling	2.46	7.02
Marketing, distribution and promotions expenses	124.63	75.17
Others (including production expenses, business promotion, meeting expenses, etc)	2.26	1.02
	176.85	126.46

33. Earnings in foreign currency

(in Rs million)

	Year ended March 31, 2016	Year ended March 31, 2015
Mobile VAS revenue	14.22	8.92
Advertisement revenue	268.16	317.63
Other Business income	0.75	1.70
	283.13	328.25

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

(in Rs million)

Particulars	As at March 31, 2016	As at March 31, 2015
	(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year	
- Principal	Nil	Nil
- Interest	Nil	Nil
(b) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	Nil	Nil
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	Nil	Nil
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006	Nil	Nil

35. Transfer pricing

The Company is in the process of appointing independent consultant to determine the applicability of transfer pricing provisions and if applicable, to conduct the transfer pricing study to determine whether the transactions with associated enterprises entered into in the current year were undertaken at 'arms length prices'. Adjustments, if any arising from the transfer pricing study shall be accounted for as and when the study is completed. The management confirms that all relevant domestic transactions with associated enterprises are undertaken at negotiated contracted prices on usual commercial terms.

36. Segment information

The Company operates in the single primary segment of online/digital broadcast media. Accordingly, there is no separate reportable segment.

37. Non Current Investment

During the current year, the company along with New Delhi Television Limited (the ultimate holding company) incorporated 8 new NDTV group entities with primary focus on e-commerce. The company is the initial subscriber to the memorandum of association in these newly formed companies.
In September, 2014, the Company sold 12,516 equity shares of NDTV Ethnic Retail Limited, to NDTV Lifestyle Holding Company for a consideration of Rs 109.08 million, which resulted in a gain of Rs 58.83 million.



NDTV Convergence Limited

Notes to financial statements for the year ended March 31, 2016

38. Unhedged foreign currency exposure

The foreign currency exposures that are not hedged by a derivative instrument or otherwise are as follows:

(in Rs million)

Particulars	Year ended March 31, 2016			Year ended March 31, 2015		
	Amount in foreign currency in million	Exchange rate	INR equivalent	Amount in foreign currency in million	Exchange rate	INR equivalent
Receivables						
GBP	0.00*	95.09	0.08	0.01	92.46	0.49
USD	0.62	66.33	41.39	1.12	62.59	70.41
LKR	0.92	0.45	0.42	-	-	-
Payables						
USD	0.83	66.33	55.20	0.61	62.59	38.34

* Below the rounding off norm adopted by the Company

39. Corporate Social Responsibility (CSR)

As per Section 135 of Companies Act, 2013, the following is the detail of Corporate Social Responsibility expenses incurred by the company:

a) Gross amount required to be spent by the Company during the year is Rs 2.26 million

b) Amount spent during the year on :

(in Rs million)

Particulars	In Cash	Yet to be paid	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	2.26	-	2.26

40. Content fee

During the previous year, the Company and its ultimate holding company, New Delhi Television Limited have entered into a content access agreement in order to leverage existing resources and economies of scale. As per the terms of the agreement the Company has paid an amount of Rs. Nil (previous year Rs.66 million) to obtain access to the contents of New Delhi Television Limited archives.

41. Cash credit and working capital demand loan

The Company was sanctioned a cash credit (CC) and working capital demand loan (WC DL) facility of Rs.75 million. This facility is secured by exclusive charge on all the current assets & book debts (both present and future), movable fixed assets (both present and future) located anywhere in India. This charge was created on March 15, 2013. There is Nil balance as on 31st March, 2016 (previous year Nil) on account of CC and WC DL.

42. Previous year figures

Previous years figures have been reclassified to conform to current year classification.

For BSR & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 116231W /W-100024


Rakesh Dewan

Partner

Membership No. : 092212

Place :

Gurgaon

Date :

May 5, 2016

For and on behalf of the Board of Directors of

NDTV Convergence Limited


Dr. Prannoy Roy

Director


Vikramaditya Chandra

Group CEO & Director

Place: NEW DELHI

Date: May 04, 2016


Radhika Roy

Director


Saurav Banerjee

Director, Finance & Group CFO