

# B S R & Associates LLP

Chartered Accountants

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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NDTV LIFESTYLE HOLDINGS LIMITED

#### Report on the Consolidated Financial Statements

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

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

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

#### Auditor's Responsibility

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

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



## B S R & Associates LLP

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

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

### Other Matters

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the



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Directors of the Group companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'; and
- (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 Group does not have any pending litigations as at 31 March 2016 which would impact its financial provisions.
  - ii. The Group does not have any long-term contracts or derivative contracts as at 31 March 2016
  - iii. The Group does not have any dues on account of Investor Education and Protection Fund.

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



**Rakesh Dewan**  
*Partner*  
Membership number: 092212

Place: Gurgaon  
Date: 5 May 2016

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

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

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

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

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

**Auditor's Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for



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

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

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

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

### **Opinion**

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

*For B S R & Associates LLP*

*Chartered Accountants*

Firm registration number: 116231W/ W-100024



**Rakesh Dewan**

*Partner*

Membership number: 092212

Place: Gurgaon

Date: 5 May 2016

**NDTV Lifestyle Holdings Limited**


in Rs million

Consolidated Balance Sheet	Notes	As at	As at
		March 31, 2016	March 31, 2015
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	310.30	360.09
Reserves and surplus	4	1,216.70	2,059.04
		<b>1,527.00</b>	<b>2,419.13</b>
<b>Non-current liabilities</b>			
Long-term provisions	5	3.64	6.76
		<b>3.64</b>	<b>6.76</b>
<b>Current liabilities</b>			
Trade payables	6		
- Total outstanding dues of micro enterprises and small enterprises;		227.49	210.41
- Total outstanding dues of creditors other than micro and small enterprises		49.79	25.15
Other current liabilities	7	0.17	0.25
Short-term provisions	5		
		<b>277.45</b>	<b>235.81</b>
		<b>1,808.09</b>	<b>2,661.70</b>
<b>TOTAL</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	8	34.08	47.15
Intangible assets	9	863.59	833.79
Non-current investments	10	215.29	356.43
Deferred tax assets (net)	11	-	0.38
Long-term loans and advances	12	40.25	14.79
Other non-current assets	14	-	0.13
		<b>1,153.21</b>	<b>1,252.67</b>
<b>Current assets</b>			
Inventories	15	66.13	76.61
Trade receivables	13	190.47	176.12
Cash and bank balances	16	311.56	984.23
Short-term loans and advances	12	59.19	133.89
Other current assets	14	27.53	38.18
		<b>654.88</b>	<b>1,409.03</b>
		<b>1,808.09</b>	<b>2,661.70</b>
<b>TOTAL</b>			
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

  
**Rakesh Dewan**  
Partner  
Membership Number : 092212

For and on behalf of the Board of Directors of  
NDTV Lifestyle Holdings Limited

  
**Dr. Prannoy Roy**  
Director

  
**Ravi Asawa**  
Chief Financial Officer

  
**K V L Narayan Rao**  
Director & Chief Executive Officer

  
**Saurav Banerjee**  
Director, Finance & Group CFO

  
**Vikramaditya Chandra**  
Group Chief Executive Officer

  
**Hemant Kumar Gupta**  
Company Secretary

Place: Gurgaon  
Date : May 5, 2016

Place : New Delhi  
Date : May 4, 2016

**NDTV Lifestyle Holdings Limited**


in Rs. million except per share data

Consolidated Statement of Profit and Loss	Notes	Year ended	
		March 31, 2016	March 31, 2015
<b>Revenue</b>			
Revenue from operations	17	461.24	455.52
Other income	18	37.93	101.82
<b>Total (I)</b>		<b>499.17</b>	<b>557.34</b>
<b>Expenses</b>			
Production expenses	19	151.27	165.43
Employee benefits expense	20	76.30	87.40
Operations and administration expenses	21	123.56	118.09
Marketing, distribution and promotion expenses	22	173.67	174.79
Impairment of goodwill	9	27.72	1,154.29
Depreciation and amortisation	23	14.70	14.26
Finance costs	24	0.20	0.22
<b>Total (II)</b>		<b>567.42</b>	<b>1,714.48</b>
<b>Loss before tax (I-II)</b>		<b>(68.25)</b>	<b>(1,157.14)</b>
<b>Tax expense</b>			
- Current tax		41.80	28.11
- Deferred tax charge / (credit)		0.38	(0.38)
- Current tax relating to earlier years		0.56	-
<b>Total tax expense</b>		<b>42.74</b>	<b>27.73</b>
<b>Loss for the year</b>		<b>(110.99)</b>	<b>(1,184.87)</b>
Share in loss of associate	10	141.14	103.77
<b>Loss for the year</b>		<b>(252.13)</b>	<b>(1,288.64)</b>
<b>Loss per equity share [nominal value per share Rs. 10 (previous year Rs. 10)]</b>	25	(8.13)	(35.79)
<b>Basic and diluted</b>			
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


  
Rakesh Dewan  
Partner  
Membership Number : 092212


For and on behalf of the Board of Directors of  
NDTV Lifestyle Holdings Limited


  
Dr. Prannoy Roy  
Director


  
Ravi Asawa  
Chief Financial Officer

Place : New Delhi  
Date : May 4, 2016

  
K V L Narayan Rao  
Director & Chief Executive Officer

  
Saurav Banerjee  
Director, Finance & Group CFO

  
Vikramaditya Chandra  
Group Chief Executive Officer

  
Hemant Kumar Gupta  
Company Secretary

Place: Gurgaon  
Date : May 5, 2016

NDTV Lifestyle Holdings Limited

Consolidated Cash Flow Statement	Notes	in Rs. million	
		Year ended March 31, 2016	Year ended March 31, 2015
<b>Cash flow from operating activities</b>		(68.25)	(1,157.14)
Loss before tax			
<b>Adjustments for :</b>		14.70	14.26
Depreciation and amortisation		27.72	1,154.29
Impairment of goodwill		6.32	1.98
Provision for doubtful debts		(3.24)	(0.28)
Provision for doubtful debts written back		0.07	0.07
Loss on sale of tangible fixed assets		-	-
Employee stock compensation expense		0.12	0.03
Unrealized foreign exchange loss / (gain)		(0.20)	2.02
Provision for gratuity and employee benefits		(37.94)	(101.64)
Interest (income)		-	(0.39)
Customer advances written back		(7.13)	(4.13)
Liabilities for operating expenses written back		0.20	1.43
Bad debt written off			
		<b>(67.63)</b>	<b>(89.50)</b>
<b>Operating profit /(loss) before working capital changes</b>			
<b>Movements in working capital :</b>		(2.92)	(1.89)
Increase/ (decrease) in Long-term provisions		24.21	30.02
Increase/ (decrease) in trade payables		24.64	0.32
Increase/ (decrease) in other current liabilities		(0.08)	0.01
Increase/ (decrease) in short term provisions		(17.74)	(0.53)
Decrease / (increase) in trade receivables		10.49	36.51
Decrease / (increase) in inventories		-	7.98
Decrease / (increase) in long-term loans and advances		52.79	3.60
Decrease / (increase) in short-term loans and advances		(9.59)	5.77
Decrease / (increase) in other current assets			
		<b>14.17</b>	<b>(7.71)</b>
<b>Cash generated in operations</b>		<b>(45.92)</b>	<b>(24.17)</b>
Taxes paid during the year (net of refunds)			
		<b>(31.75)</b>	<b>(31.88)</b>
<b>Net cash flow generated (used in) operating activities (A)</b>			
<b>Cash flows from investing activities</b>		(1.39)	(5.24)
Purchase of tangible fixed assets		(58.19)	(0.70)
Purchase of intangible fixed assets		0.36	0.21
Proceeds from sale of tangible fixed assets		310.42	505.02
Net proceed from bank deposit		-	(272.70)
Investment in associates		63.73	73.51
Interest received			
		<b>314.93</b>	<b>300.10</b>
<b>Net cash flow from investing activities (B)</b>			
<b>Cash flows from financing activities</b>		(640.00)	-
Buy back of equity shares			
		<b>(640.00)</b>	<b>-</b>
<b>Net cash flow from financing activities (C)</b>			
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>		<b>(356.82)</b>	<b>268.22</b>
Cash and cash equivalents at the beginning of the year		364.23	96.01
Cash and cash equivalents at the end of the year	13	7.41	364.23
Components of cash and cash equivalents			
		As at March 31, 2016	As at March 31, 2015
Cash in hand		0.87	0.90
Balance with banks		6.54	10.83
-in current accounts		-	352.50
-in deposit accounts		-	-
<b>Total cash and cash equivalents</b>		<b>7.41</b>	<b>364.23</b>
Summary of significant accounting policies			

*P*



**Notes :**

The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3 "Cash Flow Statements" as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.

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 Number : 092212

Place: Gurgaon

Date : May 5, 2016

*For and on behalf of the Board of Directors of*  
**NDTV Lifestyle Holdings Limited**



Dr. Prannoy Roy  
*Director*



Ravi Asawa  
*Chief Financial Officer*

Place : New Delhi

Date : May 4, 2016



K V L Narayan Rao  
*Director & Chief Executive Officer*



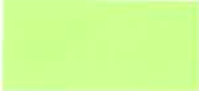
Saurav Banerjee  
*Director, Finance & Group CFO*



Vikramaditya Chandra  
*Group Chief Executive Officer*



Hemant Kumar Gupta  
*Company Secretary*



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

**1. Corporate information**

The Company was incorporated on June 10, 2010 under the Companies Act, 1956, as a subsidiary of NDTV Networks Limited. The Company holds investment in NDTV Lifestyle Limited, a subsidiary company which runs a lifestyle channel "NDTV Good Times" and is dedicated to travel, food, fashion, shopping and wellness. The Company also holds investment in NDTV Ethnic Retail Limited which is engaged in the e-commerce business.

**2. Summary of Summary of significant accounting policies**

**2.1 Basis of preparation**

(a) The consolidated financial statements ("CFS") of the Company comprise the Company, its subsidiaries and associates (collectively referred to as "the Group"). The CFS have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and in particular Accounting Standard 21 (AS 21) - 'Consolidated Financial Statements' and Accounting Standard 23 (AS 23) - 'Accounting for Investments in Associates in Consolidated Financial Statements'. The Group follows the mercantile system of accounting and recognises income and expenditure on accrual basis and prepares its accounts on a going concern basis.

(b) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealised profits are eliminated in full. Unrealised losses resulting from intra group transactions are also eliminated unless cost cannot be recovered. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

(c) The CFS 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.

(d) 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.

(e) Reserves and surplus shown in the Consolidated Balance Sheet includes the Group's share in the respective reserves of subsidiaries. Reserve attributable to minority stakeholders is reported as part of minority interest in the consolidated Balance Sheet.

(f) 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.

All assets and liabilities have been classified as current or non-current in accordance with the individual entities under the Group'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 Group has ascertained its operating cycle as 12 months for the purpose of current non current classification of assets and liabilities.

**2.2 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.

**Associate**

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

**2.3 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 when 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 there 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 Group 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.

**2.4 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.

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

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 following class of assets where different useful lives have been used, except for the following classes of assets where different useful lives have been used:

Asset Head	Useful Life (years)
Computers	6



**NDTV Lifestyle Holdings Limited**

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

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.



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

**2.5 Intangible assets**

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

Asset Head	Useful Life (years)
Computer Software	6

**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 Leases**

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

**2.8 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.



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

**2.9 Revenue recognition**

Advertisement revenue from broadcasting is recognised net of agency commissions when the advertisements are displayed.

Revenue from services provided is 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 recognised as the services are provided.

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

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 the milestone is reached when the finished product has been delivered to or made available and accepted by the customer.

**2.10 Other income**

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

**2.11 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.

**2.12 Inventories**

**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) and net realisable value. The cost of purchased programmes is amortised over the initial licence period. The Group charges to the Statement of Profit and Loss, the costs incurred on non-news programmes produced by it based on the estimated revenues generated by the first and the subsequent telecasts.

**Stores, spares and tapes**

Stores and spares consist of blank video tapes (Beta Cam and DVC) 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.

**2.13 Foreign currency transaction**

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

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

**2.14 Employee benefits**

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

Post employment benefits: The Group's contribution to defined benefits plan for Employees Provident Fund is charged to the Statement of Profit and Loss. The Group provides for a Long-term defined benefit schemes for payment of gratuity on the basis of an actuarial valuation on the balance sheet date based on the Projected Unit Credit Method. The actuarial valuation of the liability towards the gratuity 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, discount rate, future salary increases. The Group recognises the actuarial gains and losses in the Statement of Profit and Loss as income and expenses in the period in which they occur.



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

**2.15 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 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 respective entities within the Group, is recognised as deferred stock compensation expense and is amortised over the vesting period in accordance with the prescribed accounting treatment.

**2.16 Earnings per share (EPS)**

**Basic EPS**

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

**Diluted EPS**

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

**2.17 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 for business purposes or a service and/or makes an investment in a customer and at the same time negotiates a contract for sale of advertising to the seller of the assets or service, as the case may be. Arrangements though negotiated contemporaneously, may be documented in one or more contracts. The Company's policy for accounting for each transaction negotiated 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 in the form of investments are recorded as Investments and accounted for accordingly. In determining their fair value, the Company refers to independent appraisals (where available), historical transactions or comparable cash transactions.

**2.18 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.

**2.19 Segment reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

3. Share capital	in Rs. million	
	As at	
	March 31, 2016	March 31, 2015
<b>Authorised shares</b>		
37,151,351 (previous year 37,151,351) equity shares of Rs. 10/- each	371.51	371.51
3,248,649 (previous year 3,248,649) preference shares of Rs. 10/- each	32.49	32.49
<b>Issued, subscribed and fully paid-up shares</b>		
31,030,222 (previous year 36,009,216) equity shares of Rs. 10/- each	310.30	360.09
	<b>310.30</b>	<b>360.09</b>

**(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 Million	Numbers	Rs in Million
At the beginning of the year	36,009,216	360.09	36,009,216	360.09
Buy back of shares (refer note 26)	(4,978,994)	(49.79)	-	-
Outstanding at the end of the year	<b>31,030,222</b>	<b>310.30</b>	<b>36,009,216</b>	<b>360.09</b>

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

	As at March 31, 2016		As at March 31, 2015	
	Numbers	Rs in Million	Numbers	Rs in Million
Equity shares of INR 10 each fully paid held by: NDTV Networks Limited, holding company	15,825,413	158.25	18,364,700	183.65

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

	As at March 31, 2016		As at March 31, 2015	
	Numbers	% holding	Numbers	% holding
Equity shares of INR 10 each fully paid held by: NDTV Networks Limited and its nominees	15,825,413	51.00%	18,364,700	51.00%
South Asia Creative Assets Limited	15,204,809	49.00%	17,644,516	49.00%

**(c) Rights, preferences and restrictions attached to equity shares**

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

4. Reserves and surplus	in Rs. million	
	As at	
	March 31, 2016	March 31, 2015
<b>Securities premium account</b>		
Balance as at beginning of year	3,293.09	3,293.09
Less: Buy back of shares (refer note 26)	(590.21)	-
Less: Transfer to capital redemption reserve	(49.79)	-
Balance as at the end of year	<b>2,653.09</b>	<b>3,293.09</b>
<b>Capital redemption reserve</b>		
Balance as at beginning of year	-	-
Add: Transfer on account of buy back of shares (refer note 26)	49.79	-
Balance as at the end of year	49.79	-
<b>Deficit in the Statement of Profit and Loss</b>		
Balance as at beginning of year	(1,234.05)	54.59
Loss for the year	(252.13)	(1,288.64)
Balance as at the end of year	<b>(1,486.18)</b>	<b>(1,234.05)</b>
<b>Total Reserves and surplus</b>	<b>1,216.70</b>	<b>2,059.04</b>



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

5. Provisions	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
Provision for employee benefits				
Provision for gratuity (Refer note 27)	3.64	6.76	0.15	0.22
	<b>3.64</b>	<b>6.76</b>	<b>0.15</b>	<b>0.22</b>
Other provisions				
Provision for fringe benefit tax	-	-	0.02	0.03
	<b>3.64</b>	<b>6.76</b>	<b>0.17</b>	<b>0.25</b>
<b>Total</b>				

6. Trade Payable	in Rs. million	
	As at March 31, 2016	As at March 31, 2015
	Trade payables	-
- Total outstanding dues of micro enterprises and small enterprises; and (refer note 31)	227.49	210.41
- Total outstanding dues of creditors other than micro enterprises and small enterprises*	227.49	210.41

\* Trade payable includes payable to related parties (refer note 28)

7. Other current liabilities	in Rs. million	
	As at March 31, 2016	As at March 31, 2015
	Statutory dues payable	8.58
Advance from customers	5.35	2.82
Income received in advance/deferred income	11.70	4.23
Employee benefits payable	9.99	4.13
Book overdraft	9.81	-
Payable to NDTV Group Employees Trust	-	1.55
Payable for purchase of fixed assets*	4.36	4.36
	<b>49.79</b>	<b>25.15</b>

\* Payable to New Delhi Television Limited, related party

8. Tangible assets	in Rs. million				
	Plant and machinery	Computers	Office equipments	Vehicles	Total
	<b>Gross block</b>				
As at April 1, 2015	87.02	24.76	2.56	6.45	120.79
Additions	1.29	0.10	-	-	1.39
Disposals	-	0.57	0.03	0.96	1.56
As at March 31, 2016	<b>88.31</b>	<b>24.29</b>	<b>2.53</b>	<b>5.49</b>	<b>120.62</b>
<b>Accumulated depreciation</b>					
As at April 1, 2015	51.81	15.64	2.08	4.11	73.64
Charge for the year	9.28	3.58	0.20	0.97	14.03
Disposals	-	0.47	0.04	0.62	1.13
As at March 31, 2016	<b>61.09</b>	<b>18.75</b>	<b>2.24</b>	<b>4.46</b>	<b>86.54</b>
<b>Net block</b>					
As at March 31, 2016	<b>27.22</b>	<b>5.54</b>	<b>0.29</b>	<b>1.03</b>	<b>34.08</b>

	in Rs. million				
	Plant and machinery	Computers	Office equipments	Vehicles	Total
	<b>Gross block</b>				
As at April 1, 2014	82.63	24.68	2.54	7.1	116.95
Additions	4.39	0.13	0.02	-	4.54
Disposals	-	0.05	-	0.65	0.70
As at March 31, 2015	<b>87.02</b>	<b>24.76</b>	<b>2.56</b>	<b>6.45</b>	<b>120.79</b>
<b>Accumulated depreciation</b>					
As at April 1, 2014	43.39	11.97	1.77	3.26	60.39
Charge for the year	8.42	3.7	0.31	1.24	13.67
Disposals	-	0.03	-	0.39	0.42
As at March 31, 2015	<b>51.81</b>	<b>15.64</b>	<b>2.08</b>	<b>4.11</b>	<b>73.64</b>
<b>Net block</b>					
As at March 31, 2015	<b>35.21</b>	<b>9.12</b>	<b>0.48</b>	<b>2.34</b>	<b>47.15</b>





**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

9. Intangible assets	in Rs. million		
	Computer Software	Goodwill	Total
<b>Gross block</b>			
As at April 1, 2015	5.53	1,986.28	1,991.81
Additions	-	58.19	58.19
Disposals	-	-	-
As at March 31, 2016	5.53	2,044.47	2,050.00
<b>Amortisation</b>			
As at April 1, 2015	3.73	-	3.73
Charge for the year	0.67	-	0.67
As at March 31, 2016	4.40	-	4.40
<b>Impairment*</b>			
As at April 1, 2015	-	1,154.29	1,154.29
Charge for the year	-	27.72	27.72
As at March 31, 2016	-	1,182.01	1,182.01
<b>Net block</b>			
As at March 31, 2016	1.13	862.46	863.59

	in Rs. million		
	Computer Software	Goodwill on consolidation	Total
<b>Gross block</b>			
As at April 1, 2014	4.83	1,986.28	1,991.11
Additions	0.70	-	0.70
Disposals	-	-	-
As at March 31, 2015	5.53	1,986.28	1,991.81
<b>Amortisation</b>			
As at 1 April 2014	3.14	-	3.14
Charge for the year	0.59	-	0.59
As at March 31, 2015	3.73	-	3.73
<b>Impairment*</b>			
As at 1 April 2014	-	1,154.29	1,154.29
Charge for the year	-	1,154.29	1,154.29
As at March 31, 2015	-	1,154.29	1,154.29
<b>Net block</b>			
As at March 31, 2015	1.80	831.99	833.79

\* The Company made an investment in NDTV Lifestyle Limited on October 15, 2010 acquiring 92% of the equity shares of that company at a cost of Rs. 1,832.46 million. The net book value of NDTV Lifestyle Limited at the time of investment was Rs. 65.77 million. Hence, the difference between the cost of investment and the Company's share in the net book value amounting to Rs. 1,770.84 million has been recognised as goodwill.

Subsequently, the Company further invested Rs. 228.80 million on February 23, 2012 and acquired additional 0.66% of the equity shares of NDTV Lifestyle Limited. The net book value of NDTV Lifestyle Limited at the time of further investment was Rs 161.12 million. Hence, the difference between the cost of investment and the company's share in the net book value amounting to Rs. 215.44 million has also been recognised as goodwill.

Management has reassessed the carrying value of goodwill as on March 31, 2016 on the basis of independent valuation of the shares of NDTV Lifestyle Limited and a provision for impairment in carrying value of goodwill amounting to Rs. 27.72 million (previous year Rs. 1154.29 million) has been recognised during the year.



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

10. Non-current investments	in Rs. million	
	As at March 31, 2016	As at March 31, 2015
<b>Trade investments (valued at cost unless stated otherwise)</b>		
<b>Unquoted</b>		
<b>Investment in associates</b>		
NDTV Ethnic Retail Limited	356.43	460.20
61,123 (previous year 61,123) equity Shares of Rs 10 each fully paid up (Goodwill on acquisition Rs 399.98 million)	(141.14)	(103.77)
Less : Share of loss for the year		
	<u>215.29</u>	<u>356.43</u>
Aggregate amount of unquoted investments	356.43	460.20

11. Deferred tax asset (net)	in Rs. million	
	As at March 31, 2016	As at March 31, 2015
<b>Deferred tax liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting period	-	(1.39)
<b>Deferred tax asset</b>		
Provision for doubtful debts and advances	-	4.90
Provision for gratuity	-	2.18
	<u>-</u>	<u>7.08</u>
	<u>-</u>	<u>0.38</u>

**Net Deferred tax asset\***

\* In view of carry forward tax loss/unabsorbed depreciation and absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised, the Company has not recognised deferred tax assets.

12. 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 31-Mar-15
<b>Unsecured, considered good, unless otherwise stated</b>				
Security deposit	4.73	4.72	0.13	0.81
Loan to employees	-	-	26.05	83.69
Advances recoverable in cash or kind			0.38	0.38
<b>Other loans and advances</b>				
Advance income-tax (Net of provision for taxation Rs 158.06 (Previous year Rs. 150.55 million))	35.52	10.07	-	21.90
Dues from government authorities	-	-	9.25	7.18
Prepaid expenses	-	-	1.09	0.56
Advance and imprest to employees				
<b>Total</b>	<u>40.25</u>	<u>14.79</u>	<u>59.19</u>	<u>133.89</u>

13. Trade receivables	in Rs. million	
	As at March 31, 2016	As at March 31, 2015
<b>Unsecured, considered good unless stated otherwise</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good *	21.10	30.60
Unsecured, considered doubtful	16.01	15.35
	<u>37.11</u>	<u>45.95</u>
Provision for doubtful receivables	(16.01)	(15.35)
	<u>21.10</u>	<u>30.60</u>
<b>Others</b>		
Unsecured, considered good	169.37	145.52
	<u>169.37</u>	<u>145.52</u>
	<u>190.47</u>	<u>176.12</u>

\* Trade receivable includes receivable from related parties (refer note 28)



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

14. Other current 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
Interest accrued but not due on fixed deposits	-	-	12.38	38.18
Margin money deposit - under lien	-	0.13	5.56	-
Unbilled revenue	-	-	9.59	-
	-	0.13	27.53	38.18

15. Inventories ( Lower of cost and net realisable value)	in Rs. million	
	As at March 31, 2016	As at March 31, 2015
Stores and spares	-	1.39
Finished programmes	62.71	74.99
Programmes under production	3.42	0.23
<b>Total</b>	<b>66.13</b>	<b>76.61</b>

16. 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
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
- Current accounts	-	-	6.54	10.83
- Deposits with original maturity of less than three months	-	-	-	352.50
<b>Cash in hand</b>	-	-	0.87	0.90
	-	-	7.41	364.23
<b>Other bank balances</b>				
- Deposits due to mature within 12 months of reporting date	-	-	304.16	620.00
- Deposits with original maturity for More than 12 months	-	-	-	-
- Margin money deposit - under lien	-	0.13	5.56	-
	-	0.13	317.12	984.23

17. Revenue from operations	in Rs. million	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>Revenue from operations</b>	296.84	294.93
Advertisement revenue	108.51	106.76
Subscription revenue	1.28	4.72
Shared services	28.79	10.61
Programme sales	10.94	7.30
Syndication income	4.51	26.40
Other business income	-	-
<b>Other operating revenue</b>		
Provision For doubtful debts-written back	3.24	0.28
Customer advances written back	-	0.39
Liabilities for operating expenses written back	7.13	4.13
	461.24	455.52

18. Other income	in Rs. million	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>Interest income on</b>		
- Bank deposits	36.55	100.71
- Income tax refund	1.38	0.93
	-	0.18
Miscellaneous income	37.93	101.82



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

19. Production Expenses	in Rs. million	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Consultancy and professional fees	15.04	16.35
Hire charges	0.72	1.59
Graphic, music and editing	0.36	0.92
Video cassettes	0.48	0.16
Subscription, footage and news service	0.39	0.36
Software Expenses	0.07	0.03
Transmission and uplinking	27.93	36.56
Amortisation of programming cost	88.04	102.57
Travelling	2.15	1.14
Stores and spares	0.03	0.02
Other production	16.06	5.73
	<b>151.27</b>	<b>165.43</b>

20. Employee benefits expense	in Rs. million	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Salary, wages and other benefits	71.75	81.65
Contribution to provident fund	3.56	4.46
Staff welfare	0.99	1.29
	<b>76.30</b>	<b>87.40</b>

21. Operations and administration expenses	in Rs. million	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Rent	9.75	12.03
Rates and taxes	1.44	0.44
Electricity and water	3.30	3.15
Printing and stationery	0.25	0.20
Postage and courier	0.14	0.11
Books, periodicals and newspapers	1.52	1.76
Local conveyance, travelling and taxi hire	9.14	8.59
Business promotion	1.01	1.56
- Plant and machinery	7.01	5.67
- Others	0.00	0.09
Auditors remuneration*	1.32	1.27
Insurance	2.10	2.19
Communication	2.60	3.09
Vehicle, running and maintenance	3.39	4.20
Personnel Security	0.56	0.54
Provision for advances	6.32	1.98
Bad debt and doubtful advances written off	0.20	1.43
Legal, professional and consultancy	67.11	63.46
Loss on sale of fixed assets /asset written off	0.07	0.07
Foreign Exchange loss - Net	0.12	0.42
Subscription expenses	3.45	5.13
Miscellaneous expenses	2.76	0.71
	<b>123.56</b>	<b>118.09</b>

* Auditors remuneration	in Rs. million	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
As auditor:		
Audit fee	1.05	1.35
Reimbursement of expenses	0.27	(0.08)
Total	<b>1.32</b>	<b>1.27</b>

22. Marketing, distribution and promotion expenses	in Rs. million	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Marketing, distribution and promotion expenses	169.04	170.13
Trade Mark / License Fees	4.63	4.66
	<b>173.67</b>	<b>174.79</b>



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

23. Depreciation and amortisation	in Rs. million	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Depreciation of tangible assets	14.03	13.67
Amortisation of intangible assets	0.67	0.59
<b>Total</b>	<b>14.70</b>	<b>14.26</b>

24. Finance costs	in Rs. million	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Interest	0.20	0.22
-Others	-	-
<b>Total</b>	<b>0.20</b>	<b>0.22</b>

25. Loss per equity share (LPS)	in Rs. million except per share data	
	Year ended	Year ended
	March 31, 2016	March 31, 2015
Loss attributable to equity shareholders	(252.13)	(1,288.64)
Number of equity shares outstanding at year end (Nos.)	31,030,222	36,009,216
Weighted average number of Equity Shares outstanding during the year for Basic loss per share (Nos.)	31,030,222	36,009,216
Weighted average number of Equity Shares outstanding during the year for Diluted loss per share (Nos.)	31,030,222	36,009,216
Basic loss per equity share (Rs.)	(8.13)	(35.79)
Diluted loss per equity share (Rs.)	(8.13)	(35.79)
Nominal value per share (Rs.)	10.00	10

**26. Buy back of shares**

During the year, the Company has bought back its 4,978,994 fully paid Equity Shares of face value of Rs. 10 each from its existing shareholders in the proportion of their shareholding in the Company, as per the approvals of Board of Directors and Members of the Company obtained under the relevant provisions of the Companies Act, 2013. The said shares were bought back at a price of Rs 128.54 per equity share, being fair value of the Company's shares, as per Adjusted Net Asset Value Method based on an Independent valuation by a category I merchant banker. Accordingly, there was cash outflow of Rs 640.00 million from the Company. The said amount towards funding the buy-back was drawn out of free reserves including securities premium account of the Company. Further, Rs. 49.79 million being the nominal value of the shares so purchased has been transferred to the capital redemption reserve account.

**27. Post employment benefit plan (Gratuity)**

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
<b>Changes in the Present value of the Obligation:</b>		
Obligations at year beginning	6.98	6.83
Acquisition adjustment	(0.26)	-
Service cost – current	1.16	0.69
Interest cost	0.45	0.64
Actuarial (gain) / loss	(1.81)	0.69
Benefit paid	(2.73)	(1.87)
<b>Obligations at year end</b>	<b>3.79</b>	<b>6.98</b>
<b>Expenses recognised in the Statement of Profit and Loss:</b>		
Service cost – current	1.16	0.69
Interest cost	0.45	0.64
Actuarial (gain) / loss	(1.81)	0.69
<b>Total cost included in the employee benefits</b>	<b>(0.20)</b>	<b>2.02</b>
<b>The principal assumptions used in determining post-employment benefit obligations are shown below:</b>		
Discount rate	7.70%	7.90%
Future salary increases	5.00%	5.00%

Particulars	Year ended March 31,				
	2016	2015	2014	2013	2012
(Gain) / loss on plan liabilities	(1.91)	0.05	(0.05)	(1.21)	0.06

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.

Actuary's estimates of contributions for the next financial year is Rs 0.53 million (previous year Rs 1.47 million)



**NDTV Lifestyle Holdings Limited**

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

**29. Employee stock option plans**

The Board of Directors of NDTV Lifestyle, on May 9, 2008, allotted 483,487 equity shares, fully paid up to the trustees of NDTV Group Employees Trust which would hold such shares on behalf of employees of NDTV Lifestyle and employees of the Company (ultimate parent) hereinafter referred to as beneficiaries as notified from time to time. The Trust Deed provides that if beneficiary employees cease to be an employee before the expiry of the period specified (vesting period), the employee will stand divested of all or part entitled shares on staggered basis. NDTV Lifestyle is recognising the excess of the fair value based on independent valuation over the issue price as employee stock compensation expense over the vesting period. Since vesting period has been completed, Accordingly an amount of Rs Nil ( previous year Nil ) has ben charged to Statement of Profit and Loss during the year .

**30. Operating lease**

The Group has taken a commercial premises under non- cancellable operating lease. The rental expense for the current year, in respect of operating lease was Rs 9.33 (previous year Rs 8.45 million). The Group has also taken commercial premises on lease which are non-cancellable period. The future minimum lease payments in respect of such leases are as follows:

	in Rs. million	
	As at March 31, 2016	As at March 31, 2015
Within one year	9.72	9.35
After one year and not more than five years	2.98	12.71
<b>Total minimum lease payments</b>	<b>12.70</b>	<b>22.06</b>

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

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	Nil
- 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



**NDTV Lifestyle Holdings Limited**  
**Notes to the consolidated financial statements for the year ended March 31, 2016**

**32. Contingent Liabilities**


Contingent liabilities not provided for in respect of bank guarantees Rs 0.14 million (Previous year Rs 0.13 million) These have been issued in the ordinary course of business.

**33. Segment Information**

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

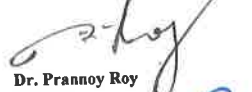
As per our report of even date attached.

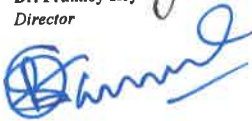
For B S R & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 116231W /W-100024

  
Rakesh Dewan  
Partner  
Membership Number : 092212

Place: Gurgaon  
Date : May 5, 2016

For and on behalf of the Board of Directors of  
NDTV Lifestyle Holdings Limited

  
Dr. Prannoy Roy  
Director

  
Ravi Asawa  
Chief Financial Officer

Place : New Delhi  
Date : May 4, 2016

  
K V L Narayan Rao  
Director & Chief Executive Officer

  
Saurav Banerjee  
Director, Finance & Group CFO

  
Vikramaditya Chandra  
Group Chief Executive Officer

  
Hemant Kumar Gupta  
Company Secretary

**Form AOC-1**

Pursuant to first proviso to sub-section (3) of section 129 read with rule 3 of Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of  
subsidiary/ associate companies/ joint ventures of NDTV Lifestyle Holding Limited

Part 'A': Subsidiaries		in Rs million	
Sr No	Name of the subsidiary	NDTV Lifestyle Limited ("NDTV Lifestyle")	
1	Capital	438.22	
2	Reserves	238.43	
3	Total Assets	439.34	
4	Total Liabilities	439.34	
5	Investments	467.75	
6	Profit before Taxation	(62.80)	
7	Provision for Taxation	1.30	
8	Profit after Taxation	(64.19)	
9	Dividend	-	
10	% of Shareholding	96.40% held by NDTV	

**Part 'B': Associates and Joint Venture**  
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Name of Associates / Joint Venture		in Rs million
1. Last audited Balance Sheet Date	NDTV Events	
	4th May, 2016	

2. Share of Associate/Joint Venture held by the company on the year end		
No.	Amount of Investment in Associate/Joint Vent	61,123 @ Rs. 10
		246.53
Extend of holding %		43.09%
3. Description of how there is significant influ		-
4. Reason of why the associate/joint ventur		-
5. Network attributable to Shareholding as		256.70
6. Profit / Loss for the year		(141.14)
7. Considered in Consolidation		(179.05)
8. Not Considered in Consolidation		

\*\* Associate includes 100% owned Subsidiary of an Associate

For and on behalf of Board

Dr. Punney Roy  
Director

K V L Narayan Rao  
Director & Chief Executive Officer

Vishwanathya Chandra  
Group Chief Executive Officer

Kavi Aswini  
Chief Financial Officer

Srinivas Jayaram  
Director, Finance & Group CFO

Hemanth Kumar Gupta  
Company Secretary

Place of Signing: New Delhi  
Date: May 4, 2016