

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NDTV LABS LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **NDTV Labs Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, 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 (hereinafter referred to as 'financial statements').

#### **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 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 2017, its loss and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's report) Order, 2016 ("the order") issued by the Central Government 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 paragraphs 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss 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 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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

- (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 2017 which would impact its financial position;
  - ii. the Company does not have any long-term contracts including derivative contracts outstanding as at 31 March 2017;
  - iii. the Company does not have any dues on account of Investor Education and Protection Fund; and
  - iv. the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. Refer Note 19 to the financial statements.

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

Place: Gurgaon  
Date: 12 May 2017

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

**Annexure A referred to in our Independent Auditor's Report to the members of NDTV Labs Limited on the financial statements for the year ended 31 March 2017.**

- (i) According to the information and explanations given to us, the Company does not hold any fixed assets. Accordingly, paragraph 3(i) of the Order is not applicable.
- (ii) According to the information and explanations given to us, the Company does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not entered into any transactions related to loans, investments, guarantees and securities to which the provisions of Section 185 and Section 186 of the Act are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (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.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income-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, provident fund, employees' state insurance, sales tax, service tax, value added tax and duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, cess and other statutory dues were in arrears as at 31 March 2017, 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 which have not been deposited with the appropriate authorities on account of

any dispute:

(Amount in Rs. million)

<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Amount</b>	<b>Year to which amount relates</b>	<b>Forum where dispute is pending</b>
Income-tax Act, 1961	Income tax	0.35	Assessment Year 2008-09	CIT Appeals
Income-tax Act, 1961	Income Tax	1.66	Assessment Year 2007-08	Income Tax Appellate Tribunal

- (viii) According to the information and explanations given to us, the Company did not have any outstanding dues to any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- (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, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company and neither any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not paid any managerial remuneration as stipulated under the provisions of section 197 read with Schedule V to the Companies Act, 2013. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (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, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or person connected with him covered by Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Place: Gurgaon  
Date: 12 May 2017

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

**Annexure B to the Independent Auditor's Report of even date on the financial statements of NDTV Labs Limited for the year ended 31 March 2017**

**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 Labs Limited ("the Company") as of 31 March 2017 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 2017, 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: 12 May 2017

**NDTV Labs Limited**

(Amount in Rs. in million)

Balance Sheet	Notes	As at	
		March 31, 2017	March 31, 2016
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	133.69	133.69
Reserves and surplus	4	(129.48)	(129.33)
		<b>4.21</b>	<b>4.36</b>
<b>Current liabilities</b>			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises;		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	5	15.33	15.24
Other current liabilities	6	0.01	0.01
		<b>15.34</b>	<b>15.25</b>
<b>TOTAL</b>		<b>19.55</b>	<b>19.61</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Long-term loans and advances	7	8.10	8.10
		<b>8.10</b>	<b>8.10</b>
<b>Current assets</b>			
Short-term loans and advances	7	1.47	1.45
Trade receivables	9	9.62	9.62
Cash and bank balances	10	0.06	0.15
Other current assets	8	0.30	0.29
		<b>11.45</b>	<b>11.51</b>
<b>TOTAL</b>		<b>19.55</b>	<b>19.61</b>
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 Labs Limited**

**Rakesh Dewan**  
Partner  
Membership Number : 092212

**Dr.Prannoy Roy**  
Director

**Ajay Mankotia**  
Director

**K V L Narayan Rao**  
Group Chief Executive Officer

Place: Gurgaon  
Date : May-12-2017

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

Place: New Delhi  
Date : May-05-2017

**Yogesh Aggrwal**  
Chief Financial Officer

**Palak Middha**  
Company Secretary

**NDTV Labs Limited**

(Amount in Rs. in million except per share data)

Statement of Profit and Loss	Notes	For the Year ended March 31, 2017	For the Year ended March 31, 2016
<b>Revenue</b>			
Other income	11	0.01	0.02
<b>Total Revenue (I)</b>		<b>0.01</b>	<b>0.02</b>
<b>Expenses</b>			
Operations and administration expenses	12	0.15	1.21
Amortisation expense	13	-	0.01
Finance costs	14	0.01	0.01
<b>Total expenses(II)</b>		<b>0.16</b>	<b>1.23</b>
<b>Loss for the year (I-II)</b>		<b>(0.15)</b>	<b>(1.21)</b>
<b>Loss per equity share (nominal value of share Rs 10/-) Basic and diluted</b>	15	(0.01)	(0.09)
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statement

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 Labs Limited**

**Rakesh Dewan**  
Partner  
Membership Number : 092212

**Dr.Prannoy Roy**  
Director

**Ajay Mankotia**  
Director

**K V L Narayan Rao**  
Group Chief Executive Officer

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

**Yogesh Aggrwal**  
Chief Financial Officer

**Palak Middha**  
Company Secretary

Place: Gurgaon  
Date : May-12-2017

Place: New Delhi  
Date : May-05-2017

**NDTV Labs Limited**

(Amount in Rs. in million)

Cash flow statement	Notes	For the Year ended March 31, 2017	For the Year ended March 31, 2016
<b>Cash flow from operating activities</b>			
Loss before tax		(0.15)	(1.21)
<b>Adjustment:</b>			
Depreciation/ amortisation		-	0.01
Interest income		(0.01)	(0.02)
<b>Operating profit before working capital changes</b>		<b>(0.16)</b>	<b>(1.22)</b>
Movements in working capital :			
Increase/ (decrease) in trade payables		0.09	-
Decrease / (increase) in trade receivables		(0.00)	1.33
Decrease / (increase) in other non current assets		-	0.15
Decrease / (increase) in other current assets		(0.01)	(0.24)
Decrease / (increase) in other bank balances		-	0.07
Decrease / (increase) in short term loans and advances		(0.02)	(0.09)
<b>Net cash flow used in operating activities (A)</b>		<b>(0.10)</b>	<b>-</b>
<b>Cash flows from investing activities</b>			
Interest received		0.01	0.02
<b>Net cash flow from investing activities (B)</b>		<b>0.01</b>	<b>0.02</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B)</b>		<b>(0.09)</b>	<b>0.02</b>
Cash and cash equivalents at the beginning of the year		0.15	0.13
<b>Cash and cash equivalents at the end of the year</b>		<b>0.06</b>	<b>0.15</b>
		<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>Components of cash and cash equivalents</b>	10		
Cash in hand		0.00	0.01
With banks- In current account		0.06	0.14
<b>Total cash and cash equivalents</b>		<b>0.06</b>	<b>0.15</b>
Significant accounting policies	2		

The accompanying notes referred to above form an integral part of financial statement

**Notes:**

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3 as notified 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

For and on behalf of the Board of directors of  
**NDTV Labs Limited**

**Rakesh Dewan**  
 Partner  
 Membership Number : 092212

**Dr.Prannoy Roy**  
 Director

**Ajay Mankotia**  
 Director

**K V L Narayan Rao**  
 Group Chief Executive Officer

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

**Yogesh Aggrwal**  
 Chief Financial Officer

**Palak Middha**  
 Company Secretary

Place: Gurgaon  
 Date : May-12-2017

Place: New Delhi  
 Date : May-05-2017

## **NDTV Labs Limited**

### **Notes to financial statements for the year ended March 31, 2017**

#### **1. Corporate information**

The Company was incorporated on December 13, 2006 and is engaged primarily in creating and maintaining software systems, workflows and solutions for television broadcast companies.

#### **2. 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 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 Going concern**

The financial statements are prepared on a going concern assumption on the basis of letter of financial support received from New Delhi Television Limited, the ultimate holding company

##### **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 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.

##### **2.4 Other Income**

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

##### **2.5 Earnings Per Share**

###### **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.

##### **2.6 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

##### **2.7 Cash and cash equivalents**

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

**NDTV Labs Limited**
**Notes to financial statements for the year ended March 31, 2017**

		(Amount in Rs. in million)	
		As at March 31, 2017	As at March 31, 2016
<b>3. Share capital</b>			
<b>Authorised shares</b>			
13,600,000 (previous year 13,600,000) equity shares of Rs. 10/- each		136.00	136.00
10,900,000 (previous year 10,900,000) preference shares of Rs. 10/- each		109.00	109.00
<b>Issued shares</b>			
13,489,008 (previous year 13,489,008) equity shares of Rs.10/- each, fully paid up		134.89	134.89
		<b>134.89</b>	<b>134.89</b>
<b>Subscribed and fully paid-up shares</b>			
13,369,008 (previous year 13,369,008) equity shares of Rs.10/- each, fully paid up *		133.69	133.69
		<b>133.69</b>	<b>133.69</b>

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

Equity shares	As at March 31, 2017		As at March 31, 2016	
	Numbers	Rs in Million	Numbers	Rs in Million
At the beginning of the year	13,369,008	133.69	13,369,008	133.69
Outstanding at the end of the period	<b>13,369,008</b>	<b>133.69</b>	13,369,008	<b>133.69</b>

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

Equity shares	As at March 31, 2017		As at March 31, 2016	
	Numbers	Rs in Million	Numbers	Rs in Million
Equity shares of Rs 10 each fully paid up held by :				
NDTV Networks Limited, holding company	13,364,660	133.65	13,364,660	133.65

\* 4,348 (previous year 4,348) equity shares of Rs 10 each, fully paid up being held by Trustees of NDTV group employees trust.

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

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	Numbers	% holding	Numbers	% holding
Equity shares of Rs 10 each fully paid up held by :				
NDTV Networks Limited	13,364,660	99.97	13,364,660	99.97

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

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

**NDTV Labs Limited****Notes to financial statements for the year ended March 31, 2017****4. Reserves and surplus**

(Amount in Rs. in million)

	As at March 31, 2017	As at March 31, 2016
<b>Deficit in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(129.33)	(128.12)
Loss for the year	(0.15)	(1.21)
Balance as at the end of the year	<u>(129.48)</u>	<u>(129.33)</u>
<b>Total Reserves and surplus</b>	<u>(129.48)</u>	<u>(129.33)</u>

**5. Trade Payable**

(Amount in Rs. in million)

	As at March 31, 2017	As at March 31, 2016
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises; (refer Note 17)*	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	15.33	15.24
	<u>15.33</u>	<u>15.24</u>

**6. Other current liabilities**

(Amount in Rs. in million)

	As at March 31, 2017	As at March 31, 2016
Statutory dues	0.01	0.01
	<u>0.01</u>	<u>0.01</u>

**NDTV Labs Limited**
**Notes to financial statements for the year ended March 31, 2017**
**7. Loans and advances**

(Amount in Rs. in million)

	Long term		Short term	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
<b>Other loans and advances</b>				
(Unsecured, Considered good)				
Advance income-tax [Net of provision for income tax Rs Nil (previous year Rs Nil)]	8.08	8.08	-	-
Due from government authorities	-	-	1.47	1.45
Advance FBT[Net of Provision for FBT Rs 1.14 million (previous year Rs 1.14 million)]	0.02	0.02	-	-
	<b>8.10</b>	<b>8.10</b>	<b>1.47</b>	<b>1.45</b>

**8. Other assets**

(Amount in Rs. in million)

	Current	
	As at March 31, 2017	As at March 31, 2016
Margin money deposit	0.25	0.24
Other current assets	0.03	0.03
Interest accrued but not due	0.02	0.02
<b>Total</b>	<b>0.30</b>	<b>0.29</b>

**9. Trade Receivables**

(Amount in Rs. in million)

	As at March 31, 2017	As at March 31, 2016
	<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 *	2.72	2.72
Unsecured, considered doubtful	4.51	4.51
	<b>7.23</b>	<b>7.23</b>
Provision for doubtful receivables	(4.51)	(4.51)
	<b>2.72</b>	<b>2.72</b>
<b>Others</b>		
Unsecured, considered good	6.90	6.90
	<b>6.90</b>	<b>6.90</b>
<b>Total</b>	<b>9.62</b>	<b>9.62</b>

\*Includes Rs 2.71 million (previous Year Rs 2.71 million) recoverable from New Delhi Television Limited, related party

**10. Cash and bank balances**

(Amount in Rs. in million)

	Current	
	As at March 31, 2017	As at March 31, 2016
<b>Cash and cash equivalents</b>		
Balances with banks:		
Current accounts	0.06	0.14
Cash in hand	0.00	0.01
<b>Total</b>	<b>0.06</b>	<b>0.15</b>
<b>Other bank balances</b>		
Margin money deposit	0.25	0.24
Amount disclosed under other "current assets" (refer note 8)	(0.25)	(0.24)
<b>Total</b>	<b>0.06</b>	<b>0.15</b>

**NDTV Labs Limited****Notes to financial statements for the year ended March 31, 2017**

<b>11. Other income</b>	(Amount in Rs. in million)	
	For the Year ended March 31, 2017	For the Year ended March 31, 2016

Interest income on bank deposits	0.01	0.02
<b>Total</b>	<b>0.01</b>	<b>0.02</b>

<b>12. Operations and administration expenses</b>	(Amount in Rs. in million)	
	For the Year ended March 31, 2017	For the Year ended March 31, 2016

Rates and taxes	0.00	0.31
Auditors remuneration *	0.10	0.11
Legal, professional and consultancy	0.05	0.24
Miscellaneous expenses	-	0.55
	<b>0.15</b>	<b>1.21</b>

<b>*Payment to auditor</b>	(Amount in Rs. in million)	
	For the Year ended March 31, 2017	For the Year ended March 31, 2016

<b>As auditor:</b>		
Audit fee	0.10	0.10
Reimbursement of expenses	0.00	0.01
	<b>0.10</b>	<b>0.11</b>

<b>13. Amortisation expense</b>	(Amount in Rs. in million)	
	For the Year ended March 31, 2017	For the Year ended March 31, 2016

Amortisation of intangible assets	-	0.01
	-	0.01

<b>14. Finance costs</b>	(Amount in Rs. in million)	
	For the Year ended March 31, 2017	For the Year ended March 31, 2016

Bank charges	0.01	0.01
	<b>0.01</b>	<b>0.01</b>

**NDTV Labs Limited****Notes to financial statements for the year ended March 31, 2017****15. Loss per equity share (EPS)**

(Amount in Rs. in million except per share data)

	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Loss attributable to equity shareholders	(0.15)	(1.21)
Number of equity shares outstanding at the beginning of the year (Nos.)	13,369,008	13,369,008
Add: Fresh issue of equity shares (Nos)	-	-
Number of equity shares outstanding at year end (Nos.)	13,369,008	13,369,008
Weighted average number of Equity Shares outstanding during the year for Basic EPS (Nos.)	13,369,008	13,369,008
Weighted average number of Equity Shares outstanding during the year for Diluted EPS (Nos.)	13,369,008	13,369,008
Basic Earnings/(Loss) per Equity Share (Rs.)	(0.01)	(0.09)
Diluted Earnings/(Loss) per Equity Share (Rs.)	(0.01)	(0.09)
Nominal value per share (Rs)	10	10

**16. Segment information**

The Company operates in the single primary segment of creating and maintaining software systems, workflows and solutions for television broadcast companies. Accordingly, there is no separate reportable segment.

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

(Amount in Rs. in million)

Particulars	As at March 31, 2017	As at March 31, 2016
(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

**NDTV Labs Limited**

Notes to financial statements for the year ended March 31, 2017

**18. Related party transaction**

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

**I. Name of related parties and nature of relationship****(a) Related parties where control exists**

New Delhi Television Limited	Ultimate Holding Company
NDTV Networks Limited	Holding Company

**(b) Other related parties with whom transactions have taken place during the year:**

NDTV Convergence Limited	Fellow Subsidiary
NDTV Lifestyle Limited	Fellow Subsidiary
NDTV Media Limited	Fellow Subsidiary

**II Key management personnel (KMP) :**

Dr. Prannoy Roy	Director
Ms. Indrani Roy	Director
Mr. Kaushik Dutta	Director
Mr. Vijaya Bhaskar Menon	Director ( till April 28, 2017)
Mr. K.V.L. Narayan Rao	Group Chief Executive Officer
Mr. Ajay Mankotia	Director & Chief Executive Officer (with effect from November 9, 2016)
Mr. Vikramaditya Chandra	Director & Group Chief Executive Officer (till October 27, 2016)
Mr. Saurav Banerjee	Director Finance and Group Chief Financial Officer

**III Related party transactions**

The following table provides the total amount of transactions that have been entered in the ordinary course of business with related parties for the relevant financial year:

Nature of relationship / transaction	in Rs million							
	Ultimate Holding company		Holding Company		Fellow Subsidiary		Total	
	March 31, 2017	March 31, 2016						
<b>Transaction during the year</b>								
Reimbursement of expense (payable)	-	-	0.10	-	-	-	0.10	-
Reimbursement of expense (receivable)	-	-	-	-	0.01	-	0.01	-
<b>Outstanding balance at the year end</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Trade Payable	8.69	8.67	0.64	0.54	5.88	5.90	15.21	15.11
Other Receivables	-	-	-	-	-	-	-	-
Trade Receivables	2.71	2.71	-	-	6.94	6.94	9.65	9.65

**NDTV Labs Limited**

**Notes to financial statements for the year ended March 31, 2017**

**19. Disclosure on Specified Bank Notes (SBNs)**

The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016.

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 Labs Limited**

**Rakesh Dewan**  
*Partner*

Membership Number : 092212

**Dr.Prannoy Roy**  
*Director*

**Ajay Mankotia**  
*Director*

**K V L Narayan Rao**  
*Group Chief Executive Officer*

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

**Yogesh Aggrwal**  
*Chief Financial Officer*

**Palak Middha**  
*Company Secretary*

Place: Gurgaon  
Date : May-12-2017

Place: New Delhi  
Date : May-05-2017