

## **NDTV LIFESTYLE HOLDINGS LIMITED**

### **DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the Fourth Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2014.

#### **Financial Results and Operations**

The summarized Financial Results of the Company for the year ended March 31, 2014 are as follows:

	<b>Year ended 31.03.2014 Amount (Rs in million)</b>	<b>Year ended 31.03.2013 Amount (Rs in million)</b>
Income	124.47	125.99
Expenditure	11.50	7.96
Profit before tax	(386.09)	118.03
Tax expense	38.23	38.23
Interest	-	-
Profit after tax	(424.41)	79.80
Profit carried forward	(424.41)	79.80

**NDTV LIFESTYLE HOLDINGS LIMITED** was incorporated on June 10, 2010 as a private limited company and was consequently converted to a public limited company on July 6, 2012.

The company became subsidiary of NDTV Networks Limited (formerly NDTV Networks Private Limited) with effect from July 9, 2010.

#### **Dividend**

Your directors have not recommended any dividend for the year under review.

#### **Deposits**

The company has not accepted /renewed any deposits during the year.

#### **Significant event during Year**

During the year under review, the business of NDTV Ethnic Retail Limited required funding, in line with its Business Plan and had been in discussions with various parties for the same. In order to meet the fund requirement of NDTV Ethnic, the Company, has invested in the securities of NDTV Ethnic. Accordingly, the Company signed an agreement with NDTV Convergence Limited, NDTV Worldwide Limited and NDTV Ethnic Retail Limited for infusion of funds by the Company into NDTV Ethnic Retail Limited, up to US\$ 3 Million (equivalent to Indian rupees) by way of subscription of equity shares of NDTV Ethnic.

As on June 30, 2014, the Company is holding 29833 equity shares, constituting 26% of the paid up equity share capital of NDTV Ethnic Retail Limited.

Dr. Prannoy Roy and Mr. Ashok Rajgopal are the representative directors on the board of NDTV Ethnic Retail Limited.

### **Directors**

Mr. K.V.L. Narayan Rao and Mr. Raghvendra Madhav, Directors, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

During the year under review, the Company has received a request from South Asia Creative Assets Limited, existing shareholder of the Company, to appoint Mr. Ashok Rajgopal as its representative in place of Mr. Lakshman Gupta Kanamarlapudi. Consequently, Mr. Gupta has resigned as director of the Company w.e.f. 05.08.14.

Mr. Ashok Rajgopal was appointed as an Additional Director of the Company on August 5, 2014 as per Companies Act 2013 and holds office upto the date of the forthcoming Annual General Meeting. Mr. Ashok Rajgopal, as director of the Company retires at ensuing Annual General Meeting of the Company and being eligible for reappointment subject to the approval of the members at the ensuing Annual General Meeting and the compliance of applicable section of Companies Act, 2013.

### **Subsidiary**

The Company is the holding company of NDTV Lifestyle Limited, which is running and operating Lifestyle channel 'NDTV Good Times'. The channel changed its tagline from 'Live the Good Times' to 'Live Young'. While the channel retains its extremely popular sub-brands like Highway On My Plate, Band Baajaa Bride and Tech Grand Masters, it has made sure that the overall content gets tweaked to make it more relevant and meaningful.

### **Directors' Responsibility Statement**

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

- (i) that in the preparation of the annual accounts for the financial year ended March 31, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review.
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(iv) that the directors have prepared the accounts for the financial year March 31, 2014 on a going concern basis.

### **Auditors**

The Auditors of the Company, M/s. Price Waterhouse, Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting (AGM) of the Company and are eligible for re-appointment. They have confirmed that their re-appointment as Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Companies Act, 2013. Your Directors recommend their re-appointment as Auditors of the Company.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

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

#### **A. Conservation of Energy**

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

#### **B. Research and Development**

The Company did not have any Research and Development activity, during the year under review.

#### **C. Foreign Exchange Earnings and Outgo**

During the year under review, the Company had Nil Foreign Exchange Earnings and outgo.

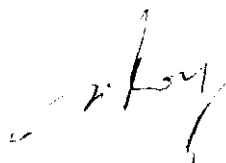
### **Personnel under Section 217(2A) of the Companies Act, 1956**

There were no personnel in receipt of remuneration as prescribed under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### **Acknowledgement**

Your directors acknowledge with thanks the support and co-operation extended by the Investors, Bankers, Business Associates for their valuable patronage.

**For and on behalf of the Board**



**Dr. Prannoy Roy**  
Director



**K V L Narayan Rao**  
Director

**Place: New Delhi**  
**Date: 5.8.2014**

**NDTV LIFESTYLE HOLDINGS LIMITED**  
**STATEMENT OF ACCOUNTS FOR THE YEAR ENDED**  
**MARCH 31, 2014**

## INDEPENDENT AUDITORS' REPORT

### To the Members of NDTV Lifestyle Holdings Limited

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of NDTV Lifestyle Holdings Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

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

2. The Company's Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act")/ notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

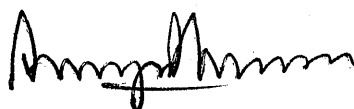
6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
  - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
  - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act/ notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants



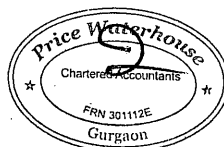
Anupam Dhawan  
Partner  
Membership Number: 084451

Place of the Signature: New Delhi  
Date: May 6, 2014

## **Annexure to Independent Auditors' Report**

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of NDTV Lifestyle Holdings Limited on the financial statements as of and for the year ended March 31, 2014

- i. (a) The Company does not hold any fixed assets during the year ended March 31, 2014. Therefore, the provisions of Clause 4(i) of the Order are not applicable to the Company.
- ii. (a) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. (a) The Company has not granted/taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(b),(c) and (d) / (f) and (g)] of the said Order are not applicable to the Company.
- iv. The Company has not purchased any fixed assets or inventory during the year. Also, it has not made any sale of goods or services during the year. Therefore, the provisions of Clause 4(iv) of the said order are not applicable to the Company.
- v. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- x. As the Company is registered for a period less than five years, the provisions of Clause 4(x) of the Order are not applicable to the Company.
- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. In our opinion, the Company has maintained adequate documents and records in the cases where it has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



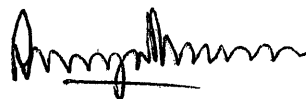
**Annexure to Independent Auditors' Report**

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of NDTV Lifestyle Holdings Limited on the financial statements for the year ended March 31, 2014

Page 2 of 2

- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. The Company has not raised any funds on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants



Anupam Dhawan  
Partner  
Membership Number: 084451

Place of the Signature: New Delhi

Date: May 6, 2014



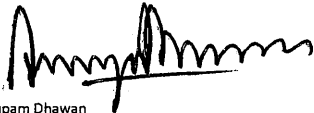
**NDTV Lifestyle Holdings Limited**

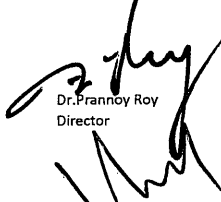
Balance Sheet	Notes	in Rs million	
		As at March 31, 2014	As at March 31, 2013
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	360.09	360.09
Reserves and surplus	4	3,040.77	3,465.18
		<u>3,400.86</u>	<u>3,825.27</u>
<b>Non-Current liabilities</b>			
Long-term provisions	5	0.92	0.98
		<u>0.92</u>	<u>0.98</u>
<b>Current liabilities</b>			
Trade payables	6	2.03	0.79
Other current liabilities	7	2.62	4.20
Short-term provisions	5	0.04	0.04
		<u>4.69</u>	<u>5.03</u>
<b>TOTAL</b>		<u><u>3,406.47</u></u>	<u><u>3,831.28</u></u>
<b>Assets</b>			
<b>Non-current assets</b>			
Non-current investments	8	2,115.78	2,427.34
Long-term loans and advances	9	3.19	86.09
Other non-current assets	10	-	215.18
		<u>2,118.97</u>	<u>2,728.61</u>
<b>Current assets</b>			
Short-term loans and advances	9	83.83	0.06
Other current assets	10	16.37	8.70
Cash and bank balances	11	1,187.30	1,093.91
		<u>1,287.50</u>	<u>1,102.67</u>
<b>TOTAL</b>		<u><u>3,406.47</u></u>	<u><u>3,831.28</u></u>
Summary of significant accounting policies		2	


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

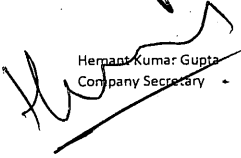
This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse  
Chartered Accountants  
Firm Registration No : 301112E

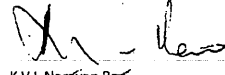
  
Anupam Dhawan  
Partner  
Membership Number 084451  
Place: New Delhi  
Date: **May 6, 2014**

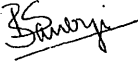
  
Dr. Prannoy Roy  
Director

  
Vikramaditya Chandra  
Group Chief Executive Officer

  
Hemant Kumar Gupta  
Company Secretary

For and on behalf of the Board

  
K V L Narayan Rao  
Director

  
Saurav Banerjee  
Group Chief Financial Officer

**PLACE - BOSTON, USA**

NDTV Lifestyle Holdings Limited

in Rs million except per share data

Statement of Profit and Loss	Notes	For the Year ended	
		March 31, 2014	March 31, 2013
<b>Revenue</b>			
Other income	12	124.47	125.99
Total revenue		124.47	125.99
<b>Expenses</b>			
Employee benefits expense	13	7.88	6.27
Operations & administration expenses	14	3.62	1.69
Total expenses		11.50	7.96
Profit before exceptional and extra ordinary items and tax		112.97	118.03
Exceptional items	15	499.06	-
Profit/(Loss) before tax		(386.09)	118.03
Tax expense			
Current tax			
Current tax	2.6	38.32	38.23
Total tax expense		38.32	38.23
Profit/(loss) for the year		(424.41)	79.80
<b>Earnings per equity share [nominal value of share Rs 10/- (March 31, 2013: Rs 10/-)]</b>			
<b>Basic</b>			
Computed on the basis of total profit/(loss) for the year		(11.79)	2.22
<b>Diluted</b>			
Computed on the basis of total profit/(loss) for the year		(11.79)	2.22
<b>Summary of significant accounting policies</b>			
	2		

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

This is the Statement Profit and Loss referred to in our report of even date.

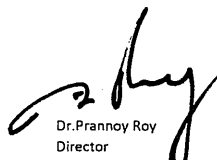
For Price Waterhouse  
Chartered Accountants  
Firm Registration No : 301112E



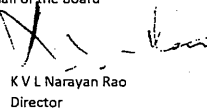
Anupam Dhawan  
Partner  
Membership Number 084451  
Place : New Delhi

Date : May 06, 2014


For and on behalf of the Board



Dr. Prannoy Roy  
Director




K V L Narayan Rao  
Director



Vikramaditya Chandra  
Group Chief Executive Officer



Jaurav Banerjee  
Group Chief Financial Officer



Hemant Kumar Gupta  
Company Secretary

PLACE - BOSTON, USA

**NDTV Lifestyle Holdings Limited**

in Rs million

**Cash Flow Statement**

 For the Year ended For the Year ended  
 March 31, 2014 March 31, 2013

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax	(386.09)	118.03
<b>Profit/(Loss) before tax</b>	<b>(386.09)</b>	<b>118.03</b>
Adjustment for :		
Interest (income)	(122.97)	(125.99)
Provision for diminution of value of investment	499.06	-
Liabilities no longer required written back	(1.50)	-
Provision for gratuity	(0.06)	0.18
<b>Operating profit/(Loss) before working capital changes</b>	<b>(11.56)</b>	<b>(7.78)</b>
Movements in working capital :		
Increase/ (decrease) in Long term provisions	(0.00)	0.80
Increase/ (decrease) in Short term provisions	0.00	0.04
Increase/ (decrease) in trade payables	2.72	(1.04)
Increase/ (decrease) in other current liabilities	(1.58)	2.49
Decrease / (increase) in long-term loans and advances	84.26	-
Decrease / (increase) in short-term loans and advances	(83.77)	(0.06)
Decrease / (increase) in other current assets	-	1.60
Decrease / (increase) in other bank balances	(55.00)	(65.00)
Decrease / (increase) in other non current assets	210.00	(210.00)
<b>Cash generated from / (used in) operations</b>	<b>145.07</b>	<b>(278.95)</b>
Taxes (paid) / refunded during the year (net of refunds)	(28.04)	(25.60)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>117.03</b>	<b>(304.55)</b>
<b>Cash flows from investing activities</b>		
Share application money paid	(187.50)	-
Inter-corporate loan given	75.00	-
Inter-corporate loan refunded back	(75.00)	-
Interest received	108.86	109.14
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(78.64)</b>	<b>109.14</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B)</b>	<b>38.39</b>	<b>(195.41)</b>
Cash and cash equivalents at the beginning of the year	23.91	219.32
<b>Cash and cash equivalents at the end of the year</b>	<b>62.30</b>	<b>23.91</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	0.02	0.21
With banks		
- in current accounts	2.28	3.70
- in deposit accounts	60.00	20.00
<b>Total cash and cash equivalents</b>	<b>62.30</b>	<b>23.91</b>
Summary of significant accounting policies	2	

**Notes:**

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3 as notified under section 211(3C) of the Companies Act, 1956.
- Figures in brackets indicate cash outflow.
- Previous year's figures have been rearranged wherever necessary to conform to the current year's presentation.

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

 For Price Waterhouse  
 Chartered Accountants  
 Firm Registration No : 301112E

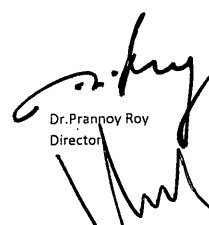



 Anupam Dhawan  
 Partner  
 Membership Number 084451


Place : New Delhi

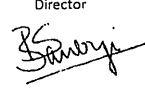
Date : May 06, 2014

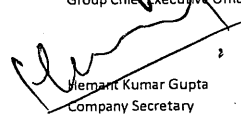
For and on behalf of the Board

  
 Dr. Pranoy Roy  
 Director

  
 K V L Narayan Rao  
 Director

  
 Vikramaditya Chandra  
 Group Chief Executive Officer

  
 Saurav Banerjee  
 Group Chief Financial Officer

**PLACE - BOSTON, USA**
  
 Hemant Kumar Gupta  
 Company Secretary

## NDTV Lifestyle Holdings Limited

### 1. Corporate information

The Company was incorporated on June 10, 2010 under the Companies Act, 1956, as a subsidiary of NDTV Networks Limited (formerly NDTV Networks Private Limited), the holding company of NDTV Lifestyle Limited. During the year, Company has invested in NDTV Ethnic Retail Limited (formerly NDTV Ethnic Retail Private Limited), a fellow subsidiary which is in the e-commerce business.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India to comply in all material aspects with the accounting standards simplified by law.

The Company follows the mercantile system of accounting and recognises income and expenditure on accrual and prepares its accounts on a going concern basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of services and the time between rendering of services/airing of programmes and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

#### 2.2 Use of estimates

In the preparation of the financial statements, the management of the Company makes 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 and income taxes.

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 is 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 its present value.

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

#### 2.3 Revenue Recognition/Other Income

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

#### 2.4 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

#### 2.5 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.

#### 2.6 Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the applicable local tax laws.

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

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

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

#### 2.7 Earnings Per Share (EPS)

##### Basic EPS

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

##### Diluted EPS

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

#### 2.8 Employee Benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post employment and other long term employee benefits: The Company's contribution to employees Provident Fund is charged to the Statement of Profit and Loss. The Company provides for long term defined benefit scheme for payment of gratuity on the basis of actuarial valuation on the Balance Sheet date based on the Projected Unit Credit Method.

#### 2.9 Cash & 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.



### 3. Share capital

in Rs million

	As at March 31, 2014	As at March 31, 2013
<b>Authorized 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>		
36,009,216 (Previous Year 36,009,216) Equity Shares of Rs.10/- each, fully paid up	360.09	360.09
<b>Total Issued, subscribed and fully paid-up share capital</b>	<b>360.09</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, 2014 Nos	As at March 31, 2014 Rs million	As at March 31, 2013 Nos	As at March 31, 2013 Rs million
At the beginning of the year	36,009,216	360.09	36,009,216	360.09
Outstanding at the end of the year	36,009,216	360.09	36,009,216	360.09

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

Out of equity and preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

in Rs million except per share data

	As at March 31, 2014	As at March 31, 2013
18,364,700 (Previous Year 18,364,700) Equity Shares held by NDTV Networks Limited, the holding company & its nominees.	183.65	183.65

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

	As at March 31, 2014 Nos	As at March 31, 2014 % holding in the class	As at March 31, 2013 Nos	As at March 31, 2013 % holding in the class
<i>Equity shares of INR 10 each fully paid</i>				
NDTV Networks Limited & its nominees	18,364,700	51.00%	18,364,700	51.00%
South Asia Creative Assets Limited	17,644,516	49.00%	17,644,516	49.00%

#### (d) Rights & Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held.

### 4. Reserves and surplus

in Rs million

	As at March 31, 2014	As at March 31, 2013
<b>Securities premium account</b>		
Opening Balance	3,293.09	3,293.09
Closing Balance	<b>3,293.09</b>	<b>3,293.09</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	172.09	92.29
Profit for the year	(424.41)	79.80
<b>Net surplus in the Statement of Profit and Loss</b>	<b>(252.32)</b>	<b>172.09</b>
<b>Total Reserves and surplus</b>	<b>3,040.77</b>	<b>3,465.18</b>



5. Provisions	in Rs million			
	Long-Term		Short-Term	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits				
Provision for gratuity	0.92	0.98	0.04	0.04
<b>Total</b>	<b>0.92</b>	<b>0.98</b>	<b>0.04</b>	<b>0.04</b>

6. Trade Payables	in Rs million	
	As at March 31, 2014	As at March 31, 2013
	Trade payables (note 20 for details of dues to micro and small enterprises)	2.03
	<b>2.03</b>	<b>0.79</b>

\* Includes Rs 0.14 Million (Previous year Rs 0.08 Million) being payable to New Delhi Television Limited, the Ultimate Holding Company.

7. Other current liabilities	in Rs million	
	As at March 31, 2014	As at March 31, 2013
	Other liabilities	
Statutory dues payable	0.33	0.55
Employee benefits payable	0.03	1.53
Others	2.26	2.12
	<b>2.62</b>	<b>4.20</b>

8. Non-current investments	in Rs million	
	As at March 31, 2014	As at March 31, 2013
	Trade investments (valued at cost unless stated otherwise)	
Unquoted		
Investment in subsidiaries		
NDTV Lifestyle Limited		
-6,106,360 (Previous Year 6,106,360) Equity Shares of Rs 10 each fully paid up (net of provision for other than for temporary diminution aggregating to Rs. 499.06 million)(Previous year Rs Nil) (Refer note 21)	1,562.20	2,061.26
-36,608,000 (Previous Year 36,608,000) Compulsorily Convertible Preference Shares(CCPs) of Rs 10 each fully paid up <sup>1</sup>	366.08	366.08
NDTV Ethnic Retail Limited-Share Application Money	187.50	-
	<b>2,115.78</b>	<b>2,427.34</b>
Aggregate amount of unquoted investments	1,928.28	2,427.34
Aggregate provision other than for temporary diminution in the value of investments	499.06	-

#### <sup>1</sup>Terms & conditions attached to Preference Shares

The Preference Shares shall be Non-Cumulative Compulsorily Convertible Preference shares (CCPS). The Preference shares shall carry a flexible coupon rate of 0 to 4% at the sole discretion of the Board of Directors of NDTV Lifestyle Limited subject to the condition that it shall be non-cumulative and further that in the event the profit earned is inadequate for distribution, the coupon rate shall be treated as 0% for the relevant year and accordingly the preference shares shall not be eligible for voting rights on grounds of non-payment of dividend.

Subject to prevailing Reserve Bank of India regulations, the Preference Shares shall be compulsorily convertible into equity share(s) at any time within 20 years from the date of issue in one or more tranches at the sole discretion of the Board of Directors of NDTV Lifestyle Limited. The conversion of the CCPS into equity share(s) shall be on the basis of such value as determined in accordance with applicable regulations.

9. Loans and advances	in Rs million			
	Long-Term		Short-Term	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Advances recoverable in cash or kind				
Loan to employees of a subsidiary	-	84.26	83.80	-
		<b>84.26</b>	<b>83.80</b>	
Advance income-tax (Net of provision for taxation Rs 122.44 million(previous year Rs 84.12 million))	3.19	1.83	-	-
Prepaid expenses	-	-	0.03	0.06
<b>Total</b>	<b>3.19</b>	<b>86.09</b>	<b>83.83</b>	<b>0.06</b>



## 10 Other assets

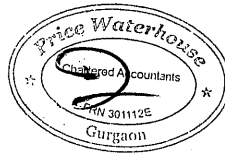
in Rs million

	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Others				
Interest accrued but not due on fixed deposits	-	5.18	16.37	8.70
Deposits with original maturity for more than 12 months	-	210.00	-	-
	-	<b>215.18</b>	<b>16.37</b>	<b>8.70</b>

## 11. Cash and bank balances

in Rs million

	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Cash and cash equivalents				
Balances with banks:				
Current accounts	-	-	2.28	3.70
Deposits with original maturity of less than three months	-	-	60.00	20.00
Cash in hand	-	-	0.02	0.21
Other bank balances				
Deposits with original maturity for more than 3 months but less than 12 months	-	-	1,125.00	1,070.00
Deposits with original maturity for More than 12 months	-	210.00	-	-
Amount disclosed under Non-current assets (Note 10)	-	(210.00)	-	-
	-	-	<b>1,187.30</b>	<b>1,093.91</b>



12. Other income

in Rs million

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Interest on bank deposits	120.40	125.99
Liabilities no longer required written back	1.50	-
Interest on inter-corporate loan	2.57	-
	<b>124.47</b>	<b>125.99</b>

13. Employee benefits expense (Note 17)

in Rs million

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Salary, wages & other benefits	7.41	4.52
Contribution to provident fund & other funds	0.44	0.25
Incentive	0.03	1.50
	<b>7.88</b>	<b>6.27</b>

14. Operations & administration expenses

in Rs million

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Auditors remuneration*	0.58	0.42
Legal, professional & consultancy	1.12	0.04
Software expenses	0.03	0.19
Entertainment expenses	0.58	0.34
Vehicle expenses	0.72	0.39
Travelling expenses	0.10	-
Miscellaneous expenses	0.49	0.31
	<b>3.62</b>	<b>1.69</b>

\*Auditors Remuneration

in Rs million

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
As auditor:		
Statutory audit fees	0.50	0.35
Reimbursement of expenses	0.08	0.07
	<b>0.58</b>	<b>0.42</b>

15. Exceptional items

in Rs million

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Provision for diminution of value of investment (Refer Note 21)	499.06	-
	<b>499.06</b>	<b>-</b>

16. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

in Rs million except share data

	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Profit attributable to Equity Shareholders	(424.41)	79.80
Number of equity shares outstanding at the beginning of the period (Nos.)	36,009,216	36,009,216
Number of equity shares outstanding at period end (Nos.)	36,009,216	36,009,216
Weighted average number of Equity Shares outstanding during the year for Basic EPS (Nos.)	36,009,216	36,009,216
Weighted average number of Equity Shares outstanding during the year for Diluted EPS (Nos.)	36,009,216	36,009,216
Basic Earnings/(Loss) per Equity Share (Rs.)	(11.79)	2.22
Diluted Earnings/(Loss) per Equity Share (Rs.)	(11.79)	2.22
Nominal Value per share (Rs)	10	10





## 17. Gratuity and other post-employment benefit plans

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

Particulars		For the Year ended March 31, 2014	For the Year ended March 31, 2013
<b>Changes in the Present value of the Obligation:</b>			
Obligations at year beginning	i	1.02	-
Service Cost – Current		0.08	1.02
Service Cost – Past		-	-
Interest Cost		0.09	-
Actuarial (gain) / loss		(0.23)	-
Benefit Paid		-	-
Obligations at year end		<b>0.96</b>	<b>1.02</b>
<b>Change in plan assets:</b>			
Plan assets at year beginning, at fair value	ii		
Expected return on plan assets			
Actuarial gain / (loss)			
Contributions			
Benefits paid			
Plan assets at year end, at fair value			
<b>Reconciliation of present value of the obligation and the fair value of the plan assets:</b>			
Present value of the defined benefit obligations at the end of the year	iii	0.96	1.02
Fair value of the plan assets at the end of the year		-	-
Liability recognised in the Balance Sheet		<b>0.96</b>	<b>1.02</b>
<b>Defined benefit obligations cost for the year</b>			
Service Cost – Current	iv	0.08	1.02
Service Cost – Past		-	-
Interest Cost		0.09	-
Expected return on plan assets		-	-
Actuarial (gain) / loss		(0.23)	-
Net defined benefit obligations cost		<b>(0.06)</b>	<b>1.02</b>
<b>Investment details of plan assets</b>			
v			
<b>The principal assumptions used in determining post-employment benefit obligations are shown below:</b>			
Discount Rate	vi	9.30%	8.35%
Future salary increases		5.00%	5.00%
Expected Return on Plan assets		9.25%	9.25%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The demographic assumptions were as per the published rates of "Life Insurance Corporation of India (1994-96) Mortality Table (ultimate), which is considered a standard table.			

## 18. Segment information

The Company is the holding company of the NDTV Lifestyle Limited which is into a single primary segment of television media and accordingly, there is no separate reportable segment.



19. Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

New Delhi Television Limited : Ultimate Holding Company  
 NDTV Networks Limited : Holding Company  
 NDTV Lifestyle Limited : Subsidiary

Other Related Parties with whom transactions have taken place during the year:

New Delhi Television Limited : Ultimate Holding Company  
 NDTV Media Limited : Fellow Subsidiary  
 NDTV Ethnic Retail Limited(Formerly NDTV Ethnic Retail Private Limited) : Fellow Subsidiary

Key Management Personnel (KMP)

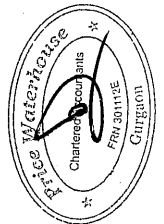
Dr. Prannoy Roy : Director  
 Radhika Roy : Director  
 K.V.L. Narayan Rao : Director  
 Grant Scott Ferguson : Director  
 Raghendra Madhav : Director  
 Lakshman Gupta Kanamariapudi : Director

Related party transactions

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

Nature of relationship / transaction	Ultimate Holding Co		Subsidiary Company		Fellow Subsidiary		Total	
	March-14	March-13	March-14	March-13	March-14	March-13	March-14	March-13
<b>Reimbursement of expenses incurred on our behalf</b>								
New Delhi Television Limited	0.09	0.01	-	-	0.03	0.17	0.12	0.18
NDTV Media Limited	0.09	0.01	-	-	-	-	0.09	0.01
Interest income	-	-	-	-	0.03	0.17	0.03	0.17
NDTV Ethnic Retail Limited(Formerly NDTV Ethnic Retail Private Limited)	-	-	-	-	2.57	-	2.57	-
Share application money paid	-	-	-	-	187.50	-	187.50	-
NDTV Ethnic Retail Limited(Formerly NDTV Ethnic Retail Private Limited)	-	-	-	-	187.50	-	187.50	-
Inter-corporate loan given	-	-	-	-	75.00	-	75.00	-
NDTV Ethnic Retail Limited(Formerly NDTV Ethnic Retail Private Limited)	-	-	-	-	75.00	-	75.00	-
Inter-corporate loan refunded back	-	-	-	-	75.00	-	75.00	-
NDTV Ethnic Retail Limited(Formerly NDTV Ethnic Retail Private Limited)	-	-	-	-	75.00	-	75.00	-
Balance at the year end	0.14	0.08	0.71	0.56	0.23	0.20	1.08	0.84
Outstanding Payable								

in Rs million



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

During the year the Company has sought information from its vendors to be able to classify them as Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the responses received from the vendors, the Company has determined that no information is required to be separately disclosed in this respect.

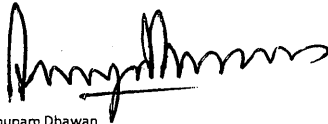
21. Diminution in the value of investment

Basis an assessment by the management of the carrying value of long term investment in NDTV Lifestyle Limited, a provision for diminution in that investment to the extent of Rs 499.06 million has been recognized during the year.

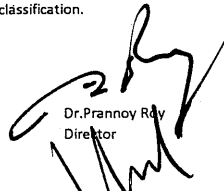
22. Previous year figures

The previous years figures have been reclassified to conform to the current year's classification.

For Price Waterhouse  
Chartered Accountants  
Firm Registration No : 301112E

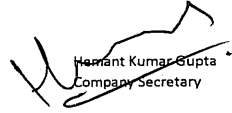


Anupam Dhawan  
Partner  
Membership Number 084451  
Place : New Delhi  
Date : May 06, 2014



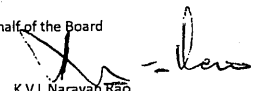
Dr. Prannoy Roy  
Director

Vikramaditya Chandra  
Group Chief Executive Officer

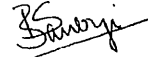


Harshant Kumar Gupta  
Company Secretary

For and on behalf of the Board



K V L Narayan Rao  
Director



Saurav Banerjee  
Group Chief Financial Officer

PLACE- BOSTON, USA