

NDTV NETWORKS 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:

	Year ended 31.03.2014 Amount (In Rs million)	Year ended 31.03.2013 Amount (In Rs million)
Income	0.01	0.01
Expenditure	36.35	33.79
Profit / (Loss) before tax	(36.34)	(33.78)
Exceptional Items	151.00	(18.19)
Tax expense	-	-
Interest	-	-
Profit / (loss) after tax	(187.34)	(15.59)
Profit / (loss) carried forward	(187.34)	(15.59)

NDTV NETWORKS LIMITED was incorporated on June 10, 2010 as a private limited company. The Company became 100% subsidiary of New Delhi Television Limited with effect from July 5, 2010. NDTV Networks is the holding company for the non-news business of the group in India and overseas.

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.

Directors

During the year under review, Dr. Prannoy Roy and Mrs. Radhika Roy resigned as Directors of the Company w.e.f. April, 1, 2014.

Mr. K.V.L. Narayan Rao, the director, retire at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

Ms. Smeeta Chakrabarti, was appointed as an Additional Director of the Company w.e.f. May 5, 2014 pursuant to Section 161 and all other applicable provisions, if any, of the Companies Act, 2013 and to holds office upto the date of the forthcoming Annual General Meeting. Ms. Smeeta Chakrabarti 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.

ESOP Shares

During the year, the Company approved the transfer of 2282 ESOP Shares from Trustees of NDTV Group Employees Trust to employees of NDTV Group Companies, i.e. ESOP Beneficiaries.

Investment by NDTV Lifestyle Holdings Limited (NLHL), a subsidiary of the Company

During the year under review, NLHL, subsidiary of the Company invested US\$ 3 Million (equivalent to Indian Rupees) in the business of NDTV Ethnic Retail Limited, the e – commerce venture of NDTV Group that operates the online platform through www.indainroots.com to acquire 26% stake in NDTV Ethnic Retail Limited.

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.

With reference to point no. 6 of the Auditors Report to the members of the Company on the financial statements for financial year 2013 – 14; the Directors state that the Companies has filed the necessary applications with the Central Government for obtaining its approval(s) in respect of the managerial remuneration payable to its Directors, as referred in the note 18 to the financial statements of the Company. The aforesaid Central Government's approvals are awaited. Further, the remuneration paid to a Director of the Company is subject to the approval of members of New Delhi Television Limited, Holding Company, as per applicable provisions of Companies Act, 1956 and / or the Companies Act, 2013. Further, the Company has filed the representations with the Central Government w.r.t. rejected / partially approved applications filed by the Company for the managerial remuneration paid in prior years, as referred in the note 18 to the

financial statements of the Company. The final approvals / decisions of Central Government are awaited.

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

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

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

A. Conservation of Energy

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.

C. Foreign Exchange Earnings and Outgo

During the year, the Company did not have any Foreign Exchange Earnings and Foreign Exchange Outgo.

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

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

Acknowledgement

Your directors wish to place on record their gratitude for support and co- operation received from shareholders, bankers and business associates during the year under review. Your directors also acknowledge their deep appreciation of the contribution made by the employees of the Company.

For and on behalf of the Board

Place: New Delhi
Date: 4.8.2014


Ajay Mankotia
Managing Director


K V L Narayan Rao
Director

NDTV NETWORKS LIMITED

**STATEMENT OF ACCOUNTS FOR THE YEAR ENDED
MARCH 31, 2014**

INDEPENDENT AUDITORS' REPORT

To the Members of NDTV Networks Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of NDTV Networks 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

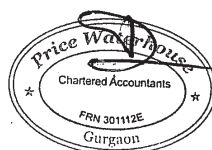
2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the 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 qualified audit opinion.

Basis for Qualified Opinion

6. *We draw your attention to note 18 to the financial statements regarding managerial remuneration amounting to Rs. 1.20 million paid to certain directors of the Company during the year ended March 31, 2014 (Rs. 19.40 million paid till March 31, 2013) in excess of the limits specified in Schedule XIII to the Act, which is subject to approval of the Central Government/limits for prior years approved by the Central Government in response to applications filed by the Company in prior years. Further, the Company has paid managerial remuneration to a director of the Company amounting to Rs. 1.50 million during the year ended March 31, 2014 which was subject to compliance with the provisions of Section 314(1) of the Act. During the year, the Central Government has rejected/partially approved the applications made by the Company in prior years*



for the managerial remuneration in excess of the limits specified in Schedule XIII to the Act. In the event that the Central Government approvals and approvals from shareholders of New Delhi Television Limited are not received, the aforesaid amounts are to be refunded by such director(s). Had these amounts been recognised as recoverable from the directors, the profit/(loss) after taxation for the year would have been Rs. (165.24) million as against the reported figure of Rs. (187.34) million (Previous year Rs. 3.81 million as against the reported figure of Rs. (15.59) million), profit/(loss) per share for the year would have been Rs. (2,809.04) as against the reported figure of Rs. (3,184.75) (Previous year Rs. 64.73 as against the reported figure of Rs. (265.07)) and Current assets would have been Rs. 26.25 million as against the reported figure of Rs. 4.15 million (Previous year Rs. 40.59 million as against the reported figure of Rs. 21.19 million).

Qualified Opinion

7. 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 *except for the effects of the matter referred to in Basis for Qualified Opinion paragraph above*, 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

8. 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.
9. 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, *except for the effects of the matter referred to in Basis for Qualified Opinion paragraph above*, 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;



INDEPENDENT AUDITORS' REPORT
To the Members of NDTV Networks Limited
Report on the Financial Statements
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- (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 8, 2014

Annexure to Independent Auditors' Report

Referred to in paragraph 8 of the Independent Auditors' Report of even date to the members of NDTV Networks 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 inventory or fixed assets during the year. No sales or services have been provided by the Company during the year. Accordingly, clause 4(iv) of the said Order is 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. The Company did not have an internal audit system during the year.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, sales tax, income tax, wealth 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. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.



Annexure to Independent Auditors' Report

Referred to in paragraph 8 of the Independent Auditors' Report of even date to the members of NDTV Networks Limited on the financial statements for the year ended March 31, 2014

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- 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 8, 2014

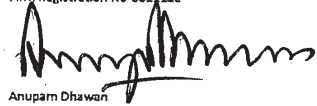
NDTV Networks Limited

Balance Sheet	Notes	In Rs million	
		As at	As at
		March 31, 2014	March 31, 2013
Equity and liabilities			
Shareholders' funds			
Share capital	3	270.59	270.59
Reserves and surplus	4	1,898.11	2,085.45
		2,168.70	2,356.04
Share application money pending allotment		37.19	14.70
Current liabilities			
Trade payables	5	5.57	9.11
Other current liabilities	6	24.21	23.85
		29.78	32.96
TOTAL		2,235.67	2,403.70
Assets			
Non-current assets			
Non-current investments	7	2,231.52	2,382.52
		2,231.52	2,382.52
Current assets			
Cash and bank balances	8	0.40	0.21
Short-term loans and advances	9	3.75	1.81
Other current assets	10	-	19.17
		4.15	21.19
TOTAL		2,235.67	2,403.70
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

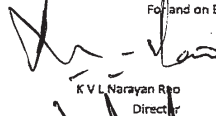
For Price Waterhouse
Chartered Accountants
Firm Registration No-301112E



Anupam Dhawan
Partner
Membership Number 084451
Place of Signing: New Delhi

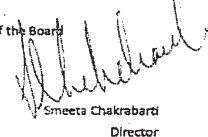
Date: May 8, 2014

For and on Behalf of the Board

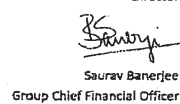


K V L Narayan Rao
Director

Vikramaditya Chandra
Group Chief Executive Officer



Smeeta Chakrabarti
Director



Saurav Banerjee
Group Chief Financial Officer

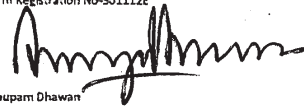
PLACE - BOSTON, USA

NDTV Networks Limited

		In Rs million except per share data	
Statement of Profit and Loss	Notes	For the year ended March 31, 2014	For the year ended March 31, 2013
Income			
Other income	11	0.01	0.01
Total revenue (I)		0.01	0.01
Expenses			
Employee benefit expenses	12	14.00	12.50
Operations & administration expenses	13	22.32	21.17
Finance costs	14	0.03	0.12
Total (II)		36.35	33.79
Loss before exceptional and extra ordinary items and tax (I) - (II)		(36.34)	(33.78)
Exceptional items	15	151.00	(18.19)
Loss before tax		(187.34)	(15.59)
Tax expenses		-	-
Total tax expense		-	-
Loss for the year		(187.34)	(15.59)
Earnings per equity share (nominal value of share Rupees 10/-)			
(March 31, 2013: Rupees 10/-)			
Basic			
Computed on the basis of profit from continuing operations		(3,184.75)	(265.07)
Diluted			
Computed on the basis of profit from continuing operations		(3,184.75)	(265.07)
Summary of significant accounting policies		2	


This is the Statement of 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 C84451
Place of Signing: New Delhi

Date: May 8, 2014



For and on Behalf of the Board
K.V. Narayan Rao
Director

Vikramaditya Chandra
Group Chief Executive Officer



Smeeeta Chakrabarti
Director



Saurav Banerjee
Group Chief Financial Officer

PLACE - BOSTON, USA

Cash Flow Statement	In Rs million	
	for the year ended March 31, 2014	for the year ended March 31, 2013
Cash flow from operating activities		
Loss before tax from continuing operations	(187.34)	(15.59)
Loss before tax	(187.34)	(15.59)
Adjustments for:		
Profit on investment sold during the year (Refer note 15(a))	-	(19.17)
Loss on investment sold during the year (Refer note 15(a))	-	0.98
Provision for diminution in value of investment (Refer note 15(b))	151.00	-
Interest expense	0.03	0.12
Interest (income)	-	(0.01)
Operating profit before working capital changes	(36.31)	(33.67)
Movements in working capital :		
Increase/ (decrease) in trade payables	(3.56)	5.74
Increase/ (decrease) in other current liabilities	0.36	(0.07)
Decrease/ (increase) in short-term loans and advances	(1.94)	(1.19)
Decrease/ (increase) in other current assets	19.17	-
Cash generated from/ (used in) operations	(22.28)	(29.19)
Net cash flow from/ (used in) operating activities (A)	(22.28)	(29.19)
Cash flows from investing activities		
Proceeds from sale of non-current investments	-	8.60
Share Application Money	-	(1.60)
Interest received	-	0.01
Net cash flow from/ (used in) investing activities (B)	-	7.01
Cash flows from financing activities		
Proceeds from Share Application Money	32.30	23.30
Refund of Share Application Money	(9.81)	(8.60)
Interest paid	(0.03)	(0.11)
Net cash flow from/ (used in) financing activities (C)	22.46	14.59
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	0.19	(7.59)
Cash and cash equivalents at the beginning of the year	0.21	7.80
Cash and cash equivalents at the end of the year	0.40	0.21
Components of cash and cash equivalents		
Cash in hand	0.00	0.00
With banks- in current account	-	-
- in deposit account	0.40	0.21
Total cash and cash equivalents (Refer note 8)	0.40	0.21
Summary of significant accounting policies	2	

Notes :


1. 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.



2. Figures in brackets indicate cash outflow.

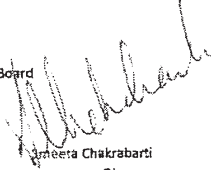
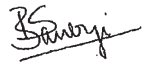
3. Previous year's figures have been rearranged wherever necessary to conform to current year's presentation

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

For Price Waterhouse
Chartered Accountants
Firm Registration No - 301112E


Anupam Dhawan
Partner
Membership Number 084451
Place of Signing : New Delhi
Date : May 8, 2014


For and on behalf of the Board
K V L Narayan Rao
Director

Vikramaditya Chandra
Group Chief Executive Officer


Ameera Chakrabarti
Director

Saurav Banerjee
Group Chief Financial Officer
PLACE - BOSTON, USA

NDTV Networks Limited

Notes to financial statements for the year ended March 31, 2014

1. Corporate information

The Company was incorporated on June 10, 2010 under the Companies Act, 1956, as a subsidiary of New Delhi Television Limited ("NDTV"), the holding Company. During the year, Company has filed the application with Reserve Bank of India for change in registration as Core Investment Company.

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 under the historical cost convention on accrual basis. Pursuant to circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 1956.

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, income taxes, and the useful lives of fixed assets and intangible assets.

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

Interest income is recognized on a proportion of time basis taking into account the principal 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 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.

2.6 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 recognized as income/expense in the period in which they arise.

2.7 Employee benefits

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



2.8 Earnings Per Share

Basic EPS

The earnings considered in ascertaining the Group'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

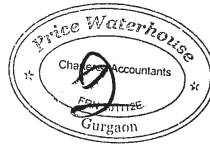
2.8 Taxes on Income

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

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

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

Other deferred tax assets are recognized 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 realized.



3. Share capital

	In Rs million	
	As at	
	March 31, 2014	March 31, 2013
Authorized		
70,000 (Previous Year 70,000) Equity Shares of Rs.10/- each	0.70	0.70
27,250,000 (Previous Year 27,250,000) Non-Cumulative Redeemable Preference Shares of Rs.10/- each	272.50	272.50
Issued		
Equity Shares		
58,823 (Previous Year 58,823) Equity Shares of Rs.10/- each	0.59	0.59
Non-Cumulative Redeemable Preference Shares		
27,000,000 (Previous Year 27,000,000) Preference Shares of Rs.10/- each	270.00	270.00
Subscribed and fully paid-up		
Equity Shares		
58,823 (Previous Year 58,823) Equity Shares of Rs.10/- each	0.59	0.59
Non-Cumulative Redeemable Preference Shares		
27,000,000 (Previous Year 27,000,000) Preference Shares of Rs.10/- each	270.00	270.00
Total issued, subscribed and fully paid-up share capital	270.59	270.59

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

Equity shares

	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	In Rs million	Number of Shares	In Rs million
At the beginning of the period	58,823	0.59	58,823	0.59
Issued during the period	-	-	-	-
Outstanding at the end of the period	58,823	0.59	58,823	0.59

Non-Cumulative Redeemable Preference Shares

	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	In Rs million	Number of Shares	In Rs million
At the beginning of the period	27,000,000	270.00	27,000,000	270.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	27,000,000	270.00	27,000,000	270.00



(b) Shares held by holding company

Out of equity and preference shares issued by the Company, shares held by its holding company and its nominees are as below:

	In Rs million	
	As at	
	March 31, 2014	March 31, 2013
50,000 (March 31, 2013: 50,000) equity shares of Rs 10 each fully paid	0.50	0.50
27,000,000 (March 31, 2013: 27,000,000) Non Cumulative Redeemable Preference shares of Rs 10 each fully paid	270.00	270.00

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

Name of the shareholder	As at 31 March 2014		As at 31 March 2013	
	Number of Shares	% holding	Number of Shares	% holding
<i>Equity shares of Rs 10 each fully paid</i>				
New Delhi Television Limited and its nominees	50,000	85.00%	50,000	85.00%
<i>Non-Cumulative Redeemable Preference Shares of Rs 10 each</i>				
New Delhi Television Limited	27,000,000	100.00%	27,000,000	100.00%

(c) Rights & Restrictions attached to shares

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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Non-Cumulative Redeemable Preference Share

The Company has allotted Non-Cumulative Redeemable Preference Shares of face value of Rs. 10/- each, fully paid to NDTV Studios Limited (Merged with New Delhi Television Limited pursuant to Scheme of Arrangement on December 17, 2010, w.e.f. appointed date April 1, 2010), at a premium of Rs.90/- per share, for an aggregate sum of Rs. 270 Crores.

These Preference Shares are redeemable in the 20th year from the date of issue i.e. October 15, 2010 at the discretion of Board of Directors in one or more tranches. These shares can also be redeemed at any time earlier than 20th year from the date of issue subject to unanimous approval from the shareholders.

(d) Shares reserved for issue under options

Nil

4. Reserves and surplus

	in Rs million	
	As at	
	March 31, 2014	March 31, 2013
Securities premium account		
Opening Balance	2,430.00	2,430.00
Closing Balance	2,430.00	2,430.00
Deficit in the Statement of Profit and Loss		
Opening Balance		
Loss for the year	(344.55)	(328.96)
Deficit in the Statement of Profit and Loss	(531.89)	(344.55)
Total Reserves and surplus	1,898.11	2,085.45



5. Trade Payables	in Rs million	
	As at	
	March 31,2014	March 31,2013
Trade payables (Refer note 19 for details of dues to micro and small enterprises)	5.57	9.11
	<u>5.57</u>	<u>9.11</u>

6. Other current liabilities	in Rs million	
	As at	
	March 31,2014	March 31,2013
Other liabilities		
Provision for taxation (net of advance income-tax Rs Nil (previous year Rs 0.15 million))	0.07	-
Statutory dues payable	1.04	0.75
Others	23.10	23.10
	<u>24.21</u>	<u>23.85</u>

7. Non-current investments	in Rs million	
	As at	
	March 31,2014	March 31,2013
Trade investments (valued at cost unless stated otherwise)		
Unquoted		
Investment in subsidiaries		
NDTV Lifestyle Holdings Limited	1,684.57	1,835.57
- 18,364,700 (Previous Year 18,364,700)		
Equity Shares of Rs.10/- each Fully Paid Up		
(net of provision for other than temporary diminution aggregating Rs 151 million(Previous year Rs Nil) (Refer Note 15(b)))		
NDTV Convergence Limited	456.44	456.44
-50,003 (Previous Year 50,003)		
Equity Shares of Rs.10/- each Fully Paid Up		
NDTV Labs Limited	59.33	59.33
-12,954,660 (Previous Year 12,954,660)		
Equity Shares of Rs. 10/- each Fully Paid Up		
-Share Application Money	4.10	4.10
Others		
Astro Awani Network SDN.BHD	27.08	27.08
-1,712,250 (Previous Year 1,712,250)		
Ordinary Shares of RM 1/- each		
	<u>2,231.52</u>	<u>2,382.52</u>
Aggregate amount of unquoted investments	2,231.52	2,382.52
Aggregate provision other than for temporary diminution in the value of investments	151.00	-



	8. Cash and bank balances				in Rs million
	As at				
	Non-current		Current		
	March 31,2014	March 31,2013	March 31,2014	March 31,2013	
Cash and cash equivalents					
Balances with banks:					
Current accounts	-	-	0.40	0.21	
Cash in hand	-	-	0.00	0.00	
	-	-	0.40	0.21	

	9. Loans and advances				in Rs million
	As at				
	Long Term		Short Term		
	March 31,2014	March 31,2013	March 31,2014	March 31,2013	
Loan and advances to related parties					
Unsecured, considered good	-	-	0.54	0.54	
	-	-	0.54	0.54	
Other loans and advances					
Advance income-tax (net of provision for taxation Rs Nil (previous year Rs 0.07 million))	-	-	-	0.08	
Due from Government Authorities	-	-	3.21	1.19	
Total	-	-	3.75	1.81	

	10. Other assets				in Rs million
	As at				
	Non-current		Current		
	March 31,2014	March 31,2013	March 31,2014	March 31,2013	
Unsecured, considered good unless stated otherwise					
Others					
Receivable against sale of investment (Refer note 15(a))	-	-	-	19.17	
	-	-	-	19.17	



11. Other income	in Rs million	
	For the Year ended	
	March 31,2014	March 31,2013
Interest income on bank deposits	-	0.01
Interest income on income tax refund	0.01	-
	0.01	0.01

12. Employee benefits expense	in Rs million	
	For the Year ended	
	March 31,2014	March 31,2013
Salaries, wages & other benefits	14.00	12.50
	14.00	12.50

13. Operations & administration expenses	in Rs million	
	For the Year ended	
	March 31,2014	March 31,2013
Rent	0.42	0.42
Rates and taxes	0.03	0.00
Electricity and water	0.14	0.11
Auditor's remuneration ⁽¹⁾	0.33	0.36
Legal, professional & consultancy(Refer note 18)	21.37	20.27
Miscellaneous expenses	0.03	0.01
	22.32	21.17

⁽¹⁾ Auditors remuneration	in Rs million	
	For the Year ended	
	March 31,2014	March 31,2013
As auditor:		
Audit fee	0.30	0.30
Out of pocket	0.03	0.06
	0.33	0.36

14. Finance costs	in Rs million	
	For the Year ended	
	March 31,2014	March 31,2013
Interest		
Others	0.03	0.12
	0.03	0.12



15. Exceptional items

	in Rs million	
	For the Year ended	
	March 31,2014	March 31,2013
Profit on investment sold during the year (Refer note (a) below)	-	19.17
Loss on investment sold during the year (Refer note (a) below)	-	(0.98)
Provision for diminution in value of investment (Refer note (b) below)	151.00	-
	<u>151.00</u>	<u>18.19</u>

(a) Pursuant to the Settlement Agreement entered between Turner Asia Pacific Ventures,INC (Turner) and NDTV Networks Limited(the Company) during the previous year, Turner had agreed to pay Rs 19.17 million towards purchase of shares held by the Company in Turner General Entertainment Networks India Private Limited. Accordingly, the provision for diminution in investment made in the previous year has been written back during the year to the extent of amount received from sale of investment.

The Company and its Joint Venture Partner M/s Genpact India Holdings, Mauritius, on December 21, 2012, entered into an Agreement for the sale of its 50% stake in NGEN Media Services Private Limited for a consideration aggregating Rs. 8.60 million.The transaction for the transfer of shares was completed on March 28, 2013. As a result, the excess of Rs 0.98 million of net asset value over the sale consideration of the joint venture on the date on disposal,was recognized as loss in the financial statements.

(b) Basis the independent valuation and assessment made by the management, of the carrying value of the long term investment in NDTV Lifestyle Holdings Limited, a provision for other than temporary diminution in that investment to the extent of Rs 151 million has been recognised during the year.

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 per share data	
	For the Year ended	
	March 31,2014	March 31,2013
Profit / (loss) attributable to Equity Shareholders	(187.34)	(15.59)
Number of equity shares outstanding at the beginning of the year (Nos.)	58,823	58,823
Number of equity shares outstanding at year end (Nos.)	58,823	58,823
Weighted average number of Equity Shares outstanding during the year for Basic EPS (Nos.)	58,823	58,823
Basic Earnings per Equity Share (Rs.)	(3,184.75)	(265.07)
Diluted Earnings per Equity Share (Rs.)	(3,184.75)	(265.07)
Nominal Value per share (Rs)	10	10

17. Interest in a joint venture

	in Rs million	
	For the Year ended	
	March 31,2014	March 31,2013
Current assets	-	-
Non-current assets	-	-
Current liabilities	-	-
Non-current liabilities	-	-
Equity	-	-
Revenue	-	(64.95)
Depreciation of plant and machinery	-	0.87
Employee benefit expense	-	49.48
Other expense	-	17.37
Exceptional Items	-	-
Profit before tax	-	2.77
Income-tax expense	-	-
Profit after tax	<u>-</u>	<u>2.77</u>

* Investment in joint venture was sold on March 28,2013.The above figures have been included as part of the disclosure, based on the financial information provided by the joint venture's management in the previous year.

19. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (as applicable)

During the year the Company has sought status 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:



18. Related party disclosures

Names of related parties and related party relationship

Related parties where control exists
Holding Company
New Delhi Television Limited

Other related parties with whom transactions have taken place during the year :
NDTV Lifestyle Holdings Limited
NDTV Lifestyle Limited
NDTV Convergence Limited
NDTV Labs Limited

Joint Venture
NGEN Media Services Private Limited (JV discontinued from March 28th 2013)

Key Management Personnel

Dr. Prannoy Roy
Bashika Roy
K.V.L. Narayan Rao
Vikramaditya Chandra
Keyur Ajay Patel
Director (Resigned w.e.f April 1, 2014)
Director (Resigned w.e.f April 1, 2014)
Director
Chief Executive Officer
Director (CV Global Holdings Inc. representative)

Related party transactions in the ordinary course of business :

Nature of relationship / transaction	Holding Company		Subsidiary Companies		Joint Venture		Key Management Personnel		Total	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Remuneration to key managerial personnel Vikramaditya Chandra	-	-	-	-	-	-	14.00	12.50	14.00	12.50
Director Fees Dr. Prannoy Roy ¹ K.V.L. Narayan Rao ²	-	-	-	-	-	-	16.00	14.50	16.00	14.50
Investments NGEN Media Services Private Limited	-	-	-	-	-	(63.84)	-	-	-	(63.84)
Equity Contribution NDTV Labs Limited	-	-	-	-	-	(63.84)	-	-	-	(63.84)
Share Application Money received New Delhi Television Limited	32.30	23.30	-	-	-	-	-	-	32.30	23.30
Share Application Money refunded New Delhi Television Limited	(9.81)	(8.60)	-	-	-	-	-	-	(9.81)	(8.60)
Payment made on behalf of others New Delhi Television Limited	-	0.11	-	-	-	-	-	-	-	0.11
Rent New Delhi Television Limited	0.42	0.42	-	-	-	-	-	-	0.42	0.42
Shared service cost New Delhi Television Limited	3.99	5.36	-	-	-	-	-	-	3.99	5.36
Balance at the year end Trade payable Other Liabilities Short Term Loans & Advances	(3.95) (23.02)	(8.52) (23.02)	-	-	-	-	-	-	(3.95) (23.02)	(8.52) (23.02)
	-	-	0.54	0.54	-	-	-	-	0.54	0.54

¹ Includes remuneration amounting Rs 1.20 million paid to a Director that exceed the maximum remuneration payable due to inadequacy of profits, which is subject to Central Government's approval. During the year the Company has received partial approval from the Central Government for amounts paid to Director for the years ended March 31, 2013 and March 31, 2012. Hence the total amount pending Central Government approval for previous years is Rs 7.20 million.

² During the year, the Company has received partial approval from the Central Government for amounts paid to a Director for the year ended March 31, 2013 and March 31, 2012. Hence the total amount pending Central Government approval for previous years is Rs 12.20 million. Further, during the current year, the Company has paid managerial remuneration amounting to Rs 1.50 million which is subject to the approval of the Shareholders of New Delhi Television Limited pursuant to the provisions of Section 188 of the Companies Act, 2013 (erstwhile Section 314(1) of the Companies Act, 1956).



20. Going Concern

The accounts of the Company are prepared on going concern basis on the operational and financial support letter received from New Delhi Television Limited to assist the Company in meeting its liabilities as and when they fall due.

21. Segment information

The Company does not have any reportable revenue segment.

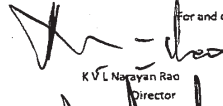
22. Previous year figures

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

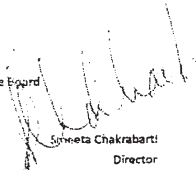
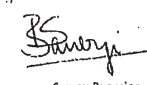
For Price Waterhouse
Chartered Accountants
Firm Registration No-3011125



Anupam Dhawan
Partner
Membership Number 084451
Place of Signing: New Delhi
Date: **May 8, 2014**

For and on Behalf of the Board

K.V.L. Narayan Rao
Director


Vikramaditya Chandra
Group Chief Executive Officer


Smita Chakrabarti
Director

Saurav Banerjee
Group Chief Financial Officer
PLACE - BOSTON