

# **NDTV MEDIA LIMITED**

## **DIRECTORS' REPORT**

### **To the Members**

Your Directors have pleasure in presenting Twelfth 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 Million)</b>	<b>Year ended 31.03.2013 Amount (Rs Million)</b>
Business income		
Other income	4.81	7.05
Total income	4.81	7.05
Profit/ (Loss) before tax	3.93	5.94
Employees Stock Compensation Expense	-	-
Tax on earlier years	-	-
Net Profit/ (Loss) after tax	3.93	5.94
Net Profit / (Loss) carried forward	3.93	5.94

### **The Year under review**

During the year, the Company recorded a profit after tax of Rs. 3.93 Million.

### **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**

Mr. Ajay Mankotia, Director retires by rotation and being eligible, offers himself for reappointment.

### **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 had been followed along with proper explanation relating to material departures.
- (ii) That the Directors had 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 had 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 had prepared the accounts for the financial year March 31, 2014 on a going concern basis.

#### **Auditors**

M/s. Price Waterhouse, Chartered Accountants, retire as auditors at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

#### **Employee Stock Option Plan: ESOP-2005**

The Company had established Employee Stock Option Plan - ESOP-2005 (ESOP-2005), under which the Board had been empowered to grant 1,83,300 options (including 50,000 additional options approved by the shareholders on October 1, 2008) to its employees that entitles them to one equity share of the Company at an exercise price determined by the Board. Pursuant to the Scheme, 1,48,700 Shares had been allotted to employees against the option vested and exercised by the employees in earlier years. As at March 31, 2014, there are 34,600 options available for grant.

#### **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.

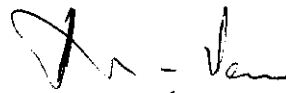
**Personnel under Section 217(2A) of the Companies Act, 1956**

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**



**K.V.L. Narayan Rao**  
Director



**Ajay Mankotia**  
Director

**Place: New Delhi**  
**Date: August 8, 2014**

**NDTV MEDIA LIMITED**

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

## INDEPENDENT AUDITORS' REPORT

### To the Members of NDTV Media Limited

#### Report on the Financial Statements

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

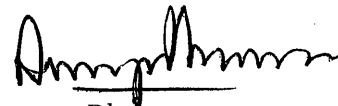
6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in 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 profit 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 8, 2014

## Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of NDTV Media 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 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. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v (a) According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.  
(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 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 sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2014 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	0.24	Assessment Year 2011-12 (Previous Year 2010-11)	CIT (Appeals)
Income Tax Act, 1961	Income Tax	7.59	Assessment Year 2010-11 (Previous Year 2009-10)	CIT (Appeals)
Income Tax Act, 1961	Income Tax	11.97	Assessment Year 2007-08 (Previous Year 2006-07)	Income Tax Appellate Tribunal

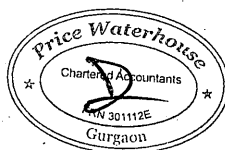


**Annexure to Independent Auditors' Report**

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

Page 2 of 3

- x. The Company has no accumulated losses as at the end of the financial year and it has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
- 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.
- 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.






**Annexure to Independent Auditors' Report**

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

Page 3 of 3

- 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 Media Limited

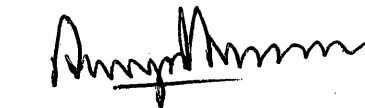
in Rs million

Balance sheet	Notes	As at	As at
		March 31, 2014	March 31, 2013
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	11.49	11.49
Reserves and surplus	4	72.88	68.95
		<u>84.37</u>	<u>80.44</u>
<b>Non-current liabilities</b>			
Other long-term liabilities	5	0.46	0.47
		<u>0.46</u>	<u>0.47</u>
<b>Current liabilities</b>			
Trade payables	6	1.23	1.52
Other current liabilities	7	1.47	1.55
		<u>2.70</u>	<u>3.07</u>
<b>TOTAL</b>		<u><u>87.53</u></u>	<u><u>83.98</u></u>
<b>Assets</b>			
<b>Non-current assets</b>			
Non-current investments	8	-	1.00
Long-term loans and advances	9	3.05	3.26
		<u>3.05</u>	<u>4.26</u>
<b>Current assets</b>			
Trade receivables	10	0.03	0.03
Cash and bank balances	11	3.42	1.76
	9	81.03	77.93
		<u>84.48</u>	<u>79.72</u>
<b>TOTAL</b>		<u><u>87.53</u></u>	<u><u>83.98</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

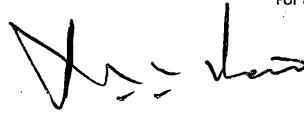
For Price Waterhouse  
Chartered Accountants  
Firm Registration No - 301112E



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

Date : **May 8, 2014**

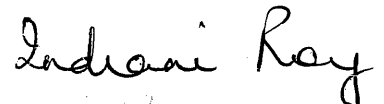
For and on behalf of the Board



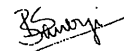
K V L Narayan Rao  
Director



Vikramaditya Chandra  
Group Chief Executive Officer



INDRANI ROY  
Director



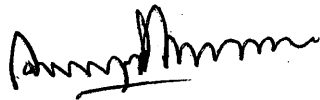
Saurav Banerjee  
Group Chief Financial Officer  
**PLACE- BOSTON, USA**

Statement of Profit and Loss	Notes	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>Income</b>			
Revenue from operations (net)		-	-
Other income	12	4.81	7.05
<b>Total revenue (I)</b>		<b>4.81</b>	<b>7.05</b>
<b>Expenses</b>			
Operations & administration expenses	13	0.81	0.85
Depreciation and amortization expenses	14	-	0.25
Finance costs	15	0.07	0.01
<b>Total (II)</b>		<b>0.88</b>	<b>1.11</b>
<b>Profit before tax (I)-(II)</b>		<b>3.93</b>	<b>5.94</b>
<b>Tax expenses</b>			
Current tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>3.93</b>	<b>5.94</b>
<b>Earnings per equity share [nominal value of share Rs 10 (Previous Year Rs 10)]</b>			
<b>Basic</b>			
Computed on the basis of profit from continuing operations		3.42	5.17
Diluted		-	-
Computed on the basis of total profit for the year		3.42	5.17
<b>Summary of significant accounting policies</b>			
	2		

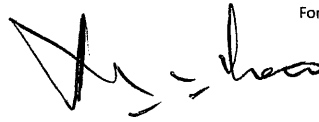
The accompanying notes are an integral part of the financial statements.

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

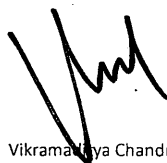
For Price Waterhouse  
Chartered Accountants  
Firm Registration No - 301112E



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

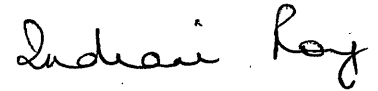


K V L Narayan Rao  
Director

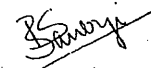


Vikramaditya Chandra  
Group Chief Executive Officer

For and on behalf of the Board



INDRANI ROY  
Director



Saurav Banerjee  
Group Chief Financial Officer  
**PLACE - BOSTON, USA**

NDTV Media Limited

in Rs million

Cash Flow Statement	Notes	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>Cash flow from operating activities</b>			
Profit before tax from continuing operations		3.93	5.94
<b>Profit before tax</b>			
Adjustments for:			
Depreciation/ amortization		-	0.25
Customer Advances written back		-	-
Liabilities for operating expenses written back		(2.63)	(0.52)
Miscellaneous Income		(1.08)	-
Profit on sale of fixed assets		-	(5.08)
Profit on sale of current Investment		(0.98)	-
Interest expense		-	0.01
<b>Operating profit before working capital changes</b>		(0.76)	0.60
Movements in working capital :			
Increase/ (decrease) in trade payables		0.77	0.28
Increase/ (decrease) in other current liabilities		(0.08)	(0.50)
Decrease / (increase) in trade receivables		(0.00)	(0.01)
Decrease / (increase) in other bank balances		(0.10)	37.55
Decrease / (increase) in long-term loans and advances		0.21	-
Decrease / (increase) in short-term loans and advances		(0.46)	(35.71)
Cash generated from / (used in) operations		(0.42)	2.21
Direct taxes paid (net of refunds)		-	-
<b>Net cash flow from/ (used in) operating activities (A)</b>		(0.42)	2.21
<b>Cash flows from investing activities</b>			
Proceeds of non-current investments		1.98	-
Purchase of fixed assets, including CWIP and capital advances		-	(3.00)
<b>Net cash flow from/ (used in) investing activities (B)</b>		1.98	(3.00)
<b>Net increase/(decrease) in cash and cash equivalents (A + B)</b>		1.56	(0.79)
Effect of exchange differences on cash & cash equivalents held in foreign currency		0.31	1.10
Cash and cash equivalents at the beginning of the year		1.87	0.31
<b>Cash and cash equivalents at the end of the year</b>		1.87	0.31
<b>Components of cash and cash equivalents</b>			
Cash in hand		0.01	0.01
With Banks			
- in current accounts		1.86	0.30
<b>Total cash and cash equivalents (note 11)</b>		1.87	0.31
Summary of significant accounting policies	2		

Notes:

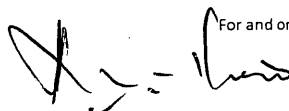
- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3 as notified under section 211(3C) of the Companies Act, 1956.
- Figures in brackets indicate cash outflow.
- Previous year's figures have been rearranged wherever necessary to conform to the current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

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

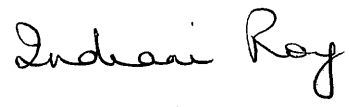
For Price Waterhouse  
Chartered Accountants  
Firm Registration No - 301112E




Anupam Dhawan  
Partner  
Membership Number 084451  
Place 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

  
INDRANI ROY  
Director

  
Saurav Banerjee  
Group Chief Financial Officer  
PLACE - BOSTON, USA

# NDTV Media Limited

## Notes to financial statements for the period ended March 31, 2014

### 1. Corporate information

The Company was incorporated on November 13, 2002. The Company is primarily in the business of buying, selling, trading, marketing or otherwise dealing in advertising time/space/slots on Radio, television, film cable, internet or any print media in India or abroad or in relation to any media including internet, souvenirs hoardings, neon sign and other display devices of all kinds and descriptions and to organize media events, trade fairs, exhibitions, roadshows, sponsorships or any type of promotional campaigns to sell, market or promote the sale of any product or other interest of its clients. The company also has other operations and owns licence of ERP system which provide services to the group.

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

#### 2.3 Tangible assets

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

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

Asset Head	Useful Life (years)
Plant and Machinery	8
Computers	3-6
Office equipment	3-5
Furniture and Fixtures	5-8
Vehicles	5

#### 2.4 Intangible assets

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

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

Asset Head	Useful Life (years)
Computer Software	6

The rates of depreciation arrived at using these estimates of useful lives states in Para 2.3 and 2.4 above are equal to or higher than the rates prescribed by the Companies Act, 1956



## 2.5 Leases

As a lessee:

Assets taken under leases, where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

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

## 2.6 Impairment of tangible and intangible assets

The management periodically assesses using external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above

## 2.7 Revenue recognition

Revenue comprises commission on advertising arranged and is recognised when the related advertisement or commercial appears before the public. Revenue is recognised subject to the arrangement fee being fixed or determinable and its collection being reasonably assured.

Revenue from other services (consultancy income, other business income, etc) is recognised as per the terms of the agreements, when the risks and rewards of ownership are substantially transferred to the buyer

## 2.8 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.

## 2.9 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.

## 2.10 Employee benefits

Short-term employee benefits are recognised 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 Retirement 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.

## 2.11 Employee stock compensation cost

The Company calculates the employee compensation expense based on the intrinsic value method wherein the excess of value of underlying equity shares as determined by an independent valuer as on the date of grant of the options over the exercise price of the options given to employees under Employee Stock Option Scheme of the Company is recognised as deferred stock compensation expense and is amortised over the vesting period on a straight line basis.

## 2.12 Earnings Per Share

### Basic EPS

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

### Diluted EPS

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



**3. Share capital**

in Rs million(except no of shares)

	As at March 31, 2014	As at March 31, 2013
<b>Authorized shares</b>		
1,150,000 (Previous Year 1,150,000) Equity Shares of Rs.10/- each	11.50	11.50
<b>Issued</b>		
1,148,700 (Previous Year 1,148,700) Equity Shares of Rs.10/- each	11.49	11.49
<b>Subscribed and fully paid-up shares</b>		
1,148,700 (Previous Year 1,148,700) Equity Shares of Rs.10/- each	11.49	11.49
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>11.49</b>	<b>11.49</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		As at March 31, 2013	
	No's	Rs millions	No's	Rs millions
At the beginning of the period	1,148,700	11.49	1,148,700	11.49
Outstanding at the end of the period	1,148,700	11.49	1,148,700	11.49



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

	As at March 31, 2014 Rs millions	As at March 31, 2013 Rs millions
- 850,000 (previous year 850,000) equity shares of Rs 10 each fully paid- New Delhi Television Limited & its nominees	8.50	8.50

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

Name of the shareholder	As at March 31, 2014		As at March 31, 2013	
	No's	% holding in the class	No's	% holding in the class
<i>Equity shares of INR 10 each fully paid</i>				
New Delhi Television Limited & its nominees	850,000	74	850,000	74
L S Nayak	218,400	19	218,400	19

(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	55.01	55.01
<b>Closing balance</b>	<b>55.01</b>	<b>55.01</b>
<b>General reserve</b>		
Opening balance	74.30	74.30
<b>Closing balance</b>	<b>74.30</b>	<b>74.30</b>
<b>Deficit in the Statement of Profit and Loss</b>		
Balance as per last financial statements	(60.36)	(66.30)
Profit for the year	3.93	5.94
	<b>(56.43)</b>	<b>(60.36)</b>
<b>Total Reserves and surplus</b>	<b>72.88</b>	<b>68.95</b>





5. Other long-term liabilities	in Rs million	
	As at March 31,	As at March 31,
	2014	2013
Advance from customers	0.46	0.47
	<u>0.46</u>	<u>0.47</u>

6. Trade payables	in Rs million	
	As at March 31,	As at March 31,
	2014	2013
Trade payables (refer note 20 for details of dues to micro and small enterprises)	1.23	1.52
	<u>1.23</u>	<u>1.52</u>

7. Other current liabilities	in Rs million	
	As at March 31,	As at March 31,
	2014	2013
Statutory dues payable	1.47	1.55
	<u>1.47</u>	<u>1.55</u>

8. Non-current investments	in Rs million	
	As at March 31,	As at March 31,
	2014	2013
Mutual Funds (Quoted)		
SBI Mutual Fund	-	1.00
NIL (Previous Year 35,475.375) units of SBI Magnum Balance Fund- Growth	-	1.00
	<u>-</u>	<u>1.00</u>
Market value of quoted investments	-	1.93



9. Loans and advances

in Rs million

	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	Long Term 2014	2013	Short Term 2014	2013
<b>Capital advances</b>				
Secured, considered good	3.00	3.00	-	-
Security deposit				
Doubtful	-	-	23.87	23.87
	3.00	3.00	23.87	23.87
Provision for doubtful security deposit	-	-	(23.87)	(23.87)
	-	-	-	-
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	-	-	47.18	46.97
Doubtful	-	-	16.61	16.61
	-	-	63.79	63.58
Provision for doubtful advances	-	-	(16.61)	(16.61)
	-	-	47.18	46.97
<b>Other loans and advances</b>				
Advance income-tax (net of provision for taxation Rs.30.40 millions) (Previous Year Rs.30.40 millions)	0.05	0.26	33.44	30.57
Prepaid expenses	-	-	0.23	0.21
Advance FBT (net of provision Rs.1.98 millions) (Previous Year Rs.1.98 millions)	-	-	0.17	0.17
Interest accrued but not due	-	-	0.01	0.01
<b>Total</b>	<b>3.05</b>	<b>3.26</b>	<b>81.03</b>	<b>77.93</b>

10. Trade receivables

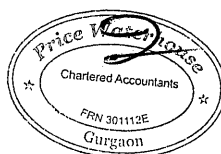
in Rs million

	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	Non-current 2014	2013	Current 2014	2013
<b>Unsecured, considered good unless stated otherwise</b>				
Outstanding for a period exceeding six months from the date they are due for payment				
unsecured, considered good	-	-	0.03	0.03
Doubtful	-	-	18.37	18.37
	-	-	18.40	18.40
provision for doubtful receivables	-	-	(18.37)	(18.37)
	-	-	0.03	0.03
	-	-	0.03	0.03

11. Cash and bank balances

in Rs million

	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	Non-current 2014	2013	Current 2014	2013
<b>Cash and cash equivalents</b>				
Balances with banks				
- In current accounts	-	-	1.86	0.30
Cash in hand	-	-	0.01	0.01
	-	-	1.87	0.31
<b>Other bank balances</b>				
- Deposits with original maturity for more than 3 months but less than 12 months	-	-	1.55	1.45
	-	-	3.42	1.76



**12. Other income**

in Rs million

	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest income on bank deposit	0.12	1.42
Profit on sale of fixed assets	-	5.08
Customer advances written back	2.63	-
Liabilities for operating expenses written back	0.00	0.52
Profit on Sale of Investment	0.98	-
Miscellaneous income	1.08	0.03
	<b>4.81</b>	<b>7.05</b>

**13. Operations & administration expenses**

in Rs million

	For the year ended March 31, 2014	For the year ended March 31, 2013
Rates and taxes	0.06	0.01
Auditor's remuneration *	0.40	0.45
Legal, professional & consultancy	0.32	0.06
Miscellaneous expenses	0.03	0.33
	<b>0.81</b>	<b>0.85</b>

**\* Auditor's remuneration**

in Rs million

	For the year ended March 31, 2014	For the year ended March 31, 2013
As auditor:		
Audit fee	0.40	0.45
	<b>0.40</b>	<b>0.45</b>

**14. Depreciation and amortization expense**

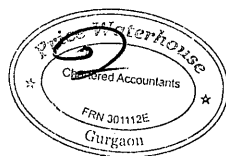
in Rs million

	For the year ended March 31, 2014	For the year ended March 31, 2013
Depreciation of tangible assets	-	0.25
	<b>-</b>	<b>0.25</b>

**15. Finance costs**

in Rs million

	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest		
-Others	0.07	0.00
Bank charges	0.00	0.01
	<b>0.07</b>	<b>0.01</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 per share data

	As at Mar 31, 2014	As at Mar 31, 2013
Profit attributable to Equity Shareholders	3.93	5.94
Number of equity shares outstanding at the beginning of the year (Nos.)	1,148,700	1,148,700
Number of equity shares outstanding at year end (Nos.)	1,148,700	1,148,700
Weighted average number of Equity Shares outstanding during the year for Basic EPS (Nos.)	1,148,700	1,148,700
Weighted average number of Equity Shares outstanding during the year for Diluted EPS (Nos.)	1,148,700	1,148,700
Basic Earnings per Equity Share (Rs.)	3.42	5.17
Diluted Earnings per Equity Share (Rs.)	3.42	5.17
Nominal Value per share (Rs)	10	10

## 17. Segment information

The Company operates in a single primary segment i.e. marketing television channels and other media products.

## 18. Related party disclosures

I. Names of related parties and related party relationship

Names of related parties, where control exists or with whom transactions were carried out during each year and description of relationship as

New Delhi Television Limited	Holding Company
NDTV Lifestyle Limited	Fellow Subsidiary
NDTV Labs Limited	Fellow Subsidiary
NDTV Convergence Limited	Fellow Subsidiary
NDTV Worldwide Limited	Fellow Subsidiary
NDTV Lifestyle Holdings Limited	Fellow Subsidiary

Key Management Personnel and their relatives

K V L Narayan Rao	Director
Ajay Mankotia	Director
Indrani Roy	Director

II. Related party agreements

In order to leverage the existing resources and ensure economies of scale Company/its parents and fellow subsidiaries, the Company/its parents and fellow subsidiaries have entered into agreements for shared services, license etc. in the ordinary course of business

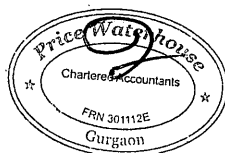
Related party transactions

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

III. Disclosure of Related Party Transactions:

in Rs million

Nature of relationship / transaction	Holding Company		Fellow Subsidiary		Total
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	
<b>Paid on behalf of Others :</b>	<b>0.20</b>	<b>1.02</b>	<b>0.12</b>	<b>0.85</b>	<b>2.19</b>
New Delhi Television Limited	0.20	1.02	-	-	1.22
Others	-	-	0.12	0.85	0.97
<b>Balance at the year end :</b>	<b>49.13</b>	<b>32.43</b>	<b>0.96</b>	<b>0.87</b>	<b>83.41</b>
Trade payable	-	-	0.08	0.08	0.17
Trade receivables	-	-	0.79	0.79	1.59
Short term loans & advances	46.13	29.43	0.09	0.00	75.65
Long term loan & advances	3.00	3.00	-	-	6.00



19. Contingent liabilities

Claims against the Company not acknowledged as debts:

Demand from Government authorities, being contested by the Company

Income Tax Matters

NIL (previous year Rs 11.97 million)

The amounts stated above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of different legal processes which have been invoked by the company or the claimant as the case may be and therefore cannot be predicted accurately

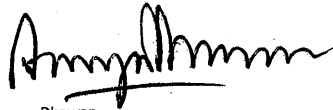
20. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (As Applicable)

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:

21. 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 - 301112E



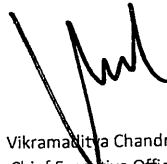
Anupam Dhawan  
Partner  
Membership Number 084451

Place of Signing : New Delhi

Date: May 8, 2014

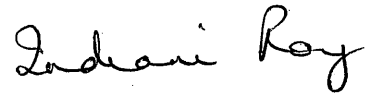


K V L Narayan Rao  
Director

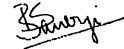


Vikramaditya Chandra  
Group Chief Executive Officer

For and on behalf of the Board



INDRANI ROY  
Director



Saurav Banerjee  
Group Chief Financial Officer  
PLACE - BOSTON, USA