

October 6, 2016

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Plot No.C/1,
G-Block, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited
Department of Corporate Services- Listing
P J Towers
Dalal Street
Mumbai – 400 001

Trading Symbol: **NETWORK18**

SCRIP CODE: **532798**

Sub : Submission of Annual Report for the Financial Year 2015-16.

Dear Sir/Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the Financial Year 2015-16, adopted in the Annual General Meeting held on September 29, 2016.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
for **Network18 Media & Investments Limited**


Yug Samrat
Company Secretary

Encl. As Above

Network18 Media & Investments Limited

{CIN - L65910MH1996PLC280969}

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INFORMATION ENTERTAINMENT EXPERIENCES
**BRINGING IT ALL
TOGETHER!**

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LIVE

Network 18

Network18 Media & Investments Limited (the Company) is one of India's most diverse and leading Media and Entertainment conglomerates with interests in television, internet, filmed entertainment, e-commerce marketplace and properties, magazines, mobile content and allied businesses. Network18 reaches out to more than 550 million television viewers and attracts more than 27 million unique visitors on its digital properties.

₹ **3,403** Cr.
Revenue up by 9% y-o-y

₹ **179** Cr.
Operating profit up by 17% y-o-y

For more details, please visit:
www.network18online.com



**INFORMATION.
ENTERTAINMENT.
EXPERIENCES.
BRINGING IT ALL TOGETHER!**

Everyday, Network18 touches peoples' lives by bringing them information, entertainment and experiences via its various offerings. Through its subsidiaries, Network18 provides a holistic, 360-degree audience focused content platform which draws from the most relevant domestic and international trends, and blends consumer insight into its strategy. The Company brings it all together for the audiences and viewers from a screen perspective, irrespective of the place they are in, the time it is, or the nature of information they need.

Network18's operating model is driven by its zeal to provide consumers with best-in-class Media and Entertainment products that set new benchmarks in creative excellence, fair journalism and audience engagement.

Network 18 at a Glance.

Through its subsidiary, TV18 Broadcast Limited (TV18), the group operates news channels such as CNBC-TV18, CNBC-Awaaz, CNBC-TV18 Prime HD, CNN-News18 and IBN7. On the entertainment side, TV18 operates a joint venture with Viacom Inc called Viacom18, which houses a portfolio of popular entertainment channels such as Colors, Colors HD, Colors Infinity, Rishtey, MTV India, MTV Indies, Comedy Central, Vh1, Nickelodeon, Nick HD+, Sonic, Nick Jr./ Teen Nick. The group's movie business is operated through Viacom18 Motion Pictures, a division of Viacom18. TV18 has also forayed into the Indian factual entertainment space through a joint venture with A+E Networks and operates History TV18. In the regional space, the group operates a Gujarati business news channel – CNBC Bajar, a Marathi general news channel – IBN-Lokmat, ten regional news channels under the ETV umbrella and five regional entertainment channels under the Colors brand. The group also operates a 24-hour Indian news channel in English – News18, targeting global audiences. TV18 and

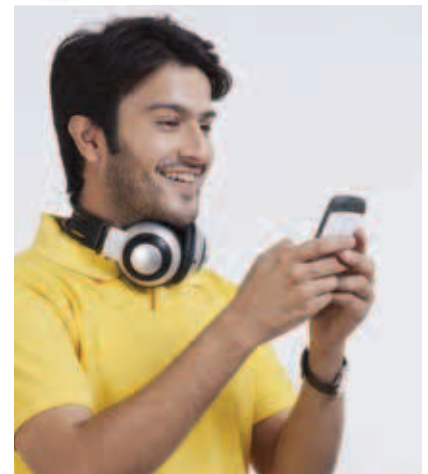
Viacom18 have formed a strategic joint venture called IndiaCast, a multi-platform content asset monetisation entity that drives domestic and international channel distribution, placement services and content syndication for the bouquet of channels from the group and other broadcasters. Network18 operates digital content assets – Moneycontrol, in.com, News18, Firstpost and Burrp. It also operates e-commerce marketplace and properties like HomeShop18 and BookMyShow and publishes Forbes India, the nation's first local edition of a foreign business magazine in collaboration with Forbes. In addition, the group operates Network18 Publishing, a player in the special interest publishing space, which publishes magazines such as Overdrive, Better Photography and Better Interiors. On the investments side, Network18 has strategic investments in Yatra and Topper.

Viacom18 has recently launched VOOT, an OTT (Over The Top) distribution platform offering On-demand Video content.





NETWORK18 GROUP IS A MEDIA AND ENTERTAINMENT CONGLOMERATE WITH INTERESTS IN TELEVISION, INTERNET, FILMED ENTERTAINMENT, E-COMMERCE MARKETPLACE & PROPERTIES, MAGAZINES, MOBILE CONTENT AND ALLIED BUSINESSES.



CORPORATE JOURNEY



2014

Ownership transferred to Independent Media Trust (IMT), of which Reliance Industries Limited (RIL) is the sole beneficiary, in July 2014.

2007

Listed on the Bombay Stock Exchange and the National Stock Exchange in February 2007. Name changed from Network18 Fincap Limited to Network18 Media & Investments Limited in December 2007.

2006

Name changed from SGA Finance & Management Services Private Limited to Network18 Fincap Private Limited in April 2006. Converted into a public limited company in November 2006.

1996

Incorporated as a private limited company on February 16, 1996.

34

Channels

Network18 reaches out to more than 550 million television viewers

Pillars of the Operating Model

Consumer Engagement with a Diverse Content Platter

With ground-breaking reality shows, innovative entertainment programmes and news shows, Network18 has packaged an intoxicating mix of TV channels, digital offerings and print publications for the younger and more aware consumers.

International Collaboration

Network18 has forged partnerships with several leading global media players including Viacom in entertainment, CNN in English general news, CNBC in business news, A+E Networks in factual entertainment and Forbes in the business magazine publication space to provide best-in-class media products.

Innovation

Network18 has been an early adopter of the latest technology with various ground-breaking innovations. It also employs innovative marketing techniques, creative packaging of shows and customer data analytics to reach out to the consumer.

Network Alliance

Network18's bouquet of 34 television channels offers a unique mix of national and regional channels, catering to diverse genres, digital content and commerce catering to wide range of interests.

Creation of New Platforms

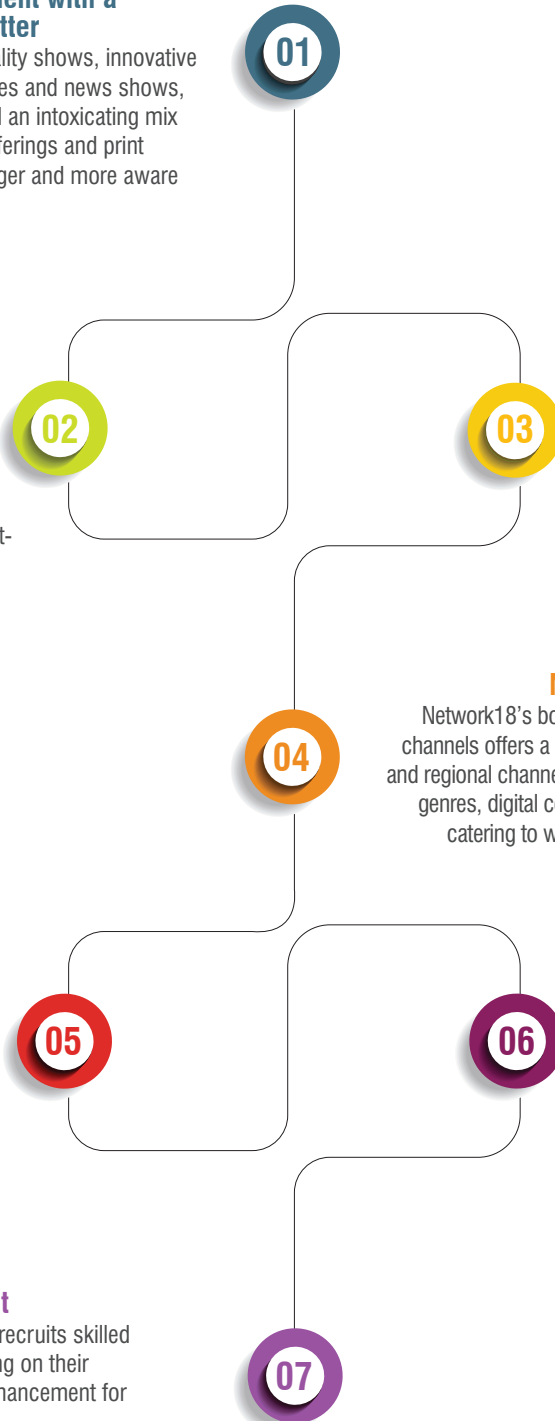
Its platform-agnostic approach to news and entertainment spans a holistic strategy that seeks not merely to address existing communities but to create new ones.

Agility

With the commitment to keep viewers ahead in life, Network18 offers the fastest news breaks, balanced opinions, enthralling entertainment, a splendid home shopping & e-commerce experience and foot-tapping music.

People Development

Network18 continuously recruits skilled professionals emphasising on their development and skill enhancement for future challenges.

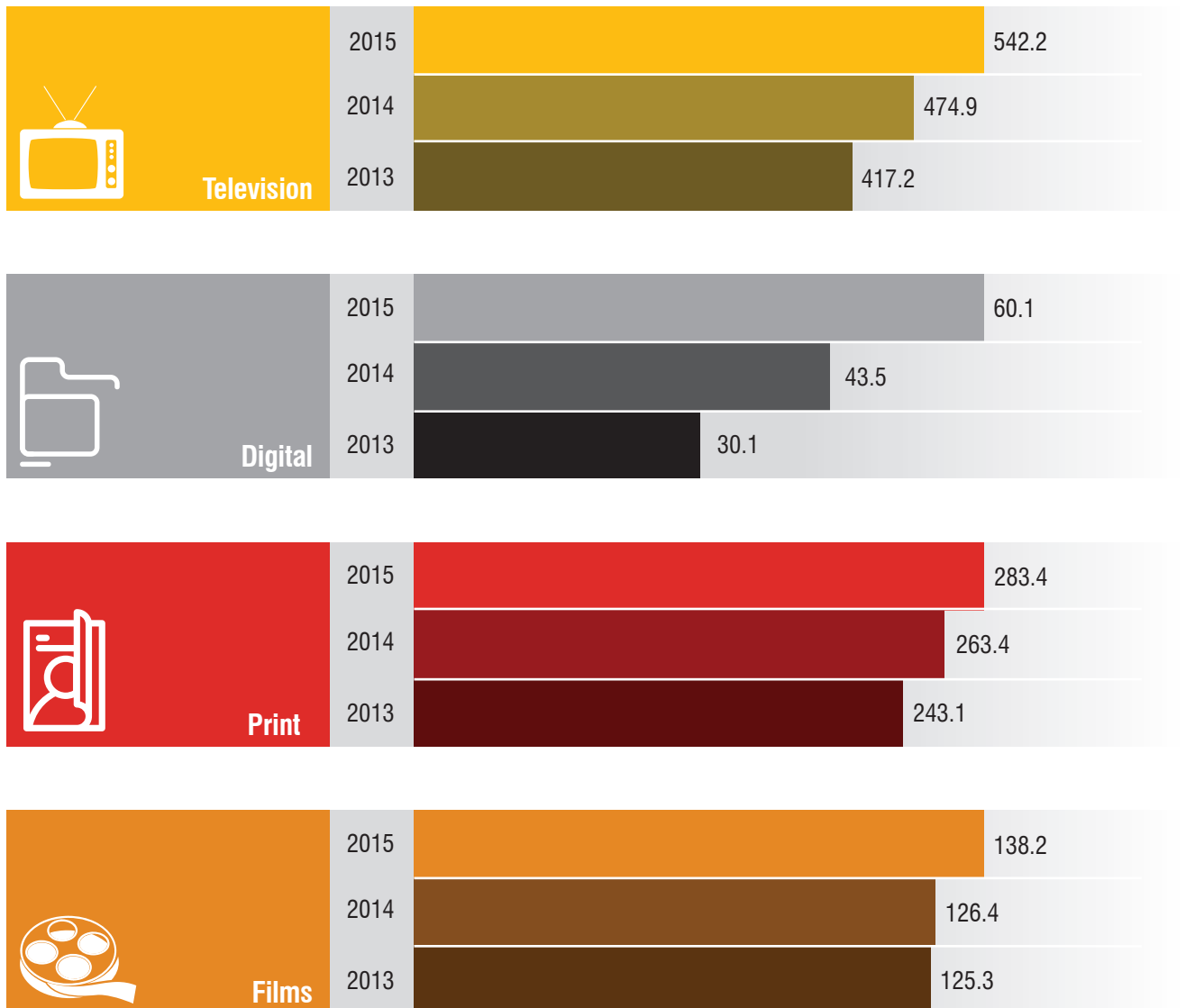


Market Environment

The year 2015 was a seminal year in many ways for the Media and Entertainment (M&E) industry. It saw a host of new services being launched and expanded, including OTT services, Hindi and regional feeds on social media as well as significant activity in the digital space. The Indian M&E industry is expected to reach ₹ 2,260 billion by 2020, from its estimated size of ₹1,157 billion in 2015 due to its large capacity to consume new products and businesses.

Size of the Indian M&E Industry

(₹ Billion)



Source: KPMG in India analysis, 2016

Growth Drivers

GROWTH IN SOCIO-ECONOMIC SECTORS

The steady increase in disposable incomes and a burgeoning middle class have helped the media and entertainment sector in India. Relaxation of rules to allow foreign brands to establish themselves in India have also contributed to this trend.

GROWTH IN REGIONAL MARKETS

Digitisation has changed the way content is viewed in India today. The reach of digital platforms has led to a paradigm shift in consumption, with a large section of the population, hitherto untouched by the digital revolution, experiencing a variety of content on different platforms. Content creators will have to up their game in terms of innovation and strategy.

FAVOURABLE POLICY INITIATIVES SUCH AS:

1. Digitising the cable distribution segment.
2. Increasing Foreign Direct Investment (FDI) limit from 74% to 100% in cable and from 26% to 49% in news and current affairs channels.
3. FDI upto 100% under the automatic route in non-news and current affairs channels.

DIGITISATION

It is expected that by 2020, the ratio of digital cable subscribers to DTH subscribers will be 53:47 (i.e. 90 million digital cable subscribers and 79 million DTH subscribers).

4G ROLL OUT - THE GAME CHANGER

3rd generation (3G) and 4th generation (4G) mobile subscribers are likely to constitute 40% of the total wireless Internet subscriber base. Content viewing has already moved beyond television to mobile phones. This trend is going to only increase with the roll out of 4G.

ROLL OUT OF BROADCAST AUDIENCE RESEARCH COUNCIL (BARC)

1. Television Audience Measurement (TAM) India was replaced by BARC India in April 2015. BARC India is the only Government registered TV ratings agency in India.
2. Channels and content creators are now exposed to previously untapped viewer data.

Board of Directors



01



02



03



04



05



06



07



08

01 Adil Zainulbhai

Mr. Adil Zainulbhai is currently Chairman of Quality Council of India. He retired as Chairman of McKinsey India after 34 years at McKinsey, of which the last 10 years were spent in India. He has also co-edited the book, 'Reimagining India' which featured 60 authors including prominent businessmen, academics, economists, authors and journalists. The book has been #1 in the non-fiction category in India on its release and #2 on Amazon's International Business List in the US. He grew up in Mumbai and graduated in Mechanical Engineering from the Indian Institute of Technology. He also has an MBA from Harvard Business School.

Mr. Zainulbhai is very active in community and social causes.

02 Deepak Parekh

Mr. Deepak Shantilal Parekh is the Chairman of Housing Development Finance Corporation Limited. In 1970, Mr. Parekh began his career with Ernst & Ernst Management Consultancy Services in New York. Thereafter he worked with Grindlays Bank and Chase Manhattan Bank for about three years each prior to joining HDFC in 1978. Mr. Parekh is a recipient of the Padma Bhushan for his contributions to the national economy and public policy. Mr. Parekh has been widely consulted by the Government of India on a range of issues of national importance and has been a member of various Government appointed Advisory Committees and Task Forces for housing, financial services, capital markets, telecom, energy, railways and infrastructure sector reforms. Mr. Parekh is a Commerce Graduate and holds an FCA degree from England and Wales.

03 Nirupama Rao

Ms. Nirupama Rao holds a Bachelor's Degree in English Honors and a Master's Degree in English Literature. She joined the Indian Foreign Service in 1973. She served as India's first woman spokesperson at the Foreign Office in New Delhi and also as the

country's second woman Foreign Secretary, the highest post in the Foreign Service, from 2009 to 2011. She has had the distinction of serving in the major world capitals of Washington, Moscow and Beijing. She has served as India's Ambassador to China and to the United States. Her expertise lies in the formulation and practice of government policy and in global issues and negotiation.

04 Dhruv Subodh Kaji

Mr. Dhruv Subodh Kaji served as Finance Director of Raymond Limited. Mr. Kaji has an experience of more than 30 years. He holds a Bachelor's Degree in Commerce from University of Mumbai and is an Associate Member of the Institute of Chartered Accountants of India. He is a Financial Advisor and Management Consultant. He has experience in evaluating and guiding business projects in India and abroad.

05 Rajiv Krishan Luthra

Mr. Rajiv Krishan Luthra is the Founder and Managing Partner of Luthra & Luthra Law Offices one of the largest law firms in India. He has over 31 years of experience in advising clients on a vast range of commercial transactions including infrastructure projects. Mr. Luthra has been conferred with Alumni of Harvard Law School and a Fellow of the British Commerce Society and the Royal Geographical Society. Mr. Luthra is a member of SEBI's High Level Committee for 'Reviewing Insider Trading Regulations' and SEBI's Committee on 'Rationalization of Investment Routes and Monitoring Foreign Portfolio Investments'.

06 Prasoon Joshi

Mr. Prasoon Joshi is a Padma Shri Awardee and an acclaimed advertising industry leader. An advertising and communication icon who has built mega brands, a writer honoured with the prestigious National Award by the President of India, he has garnered glory at many International platform as well.

Mr. Joshi has also been designated a Young Global Leader by the World Economic Forum.

07 Rohit Bansal

Mr. Rohit Bansal is an expert on the media. He has a B.A. (Hons) in History from St. Stephen's College and an AMP (with alumni status) from Harvard Business School. As a British Chevening scholar funded by the FCO, he has under taken the young print journalists programme at University of Westminster. He is an alum of the European Union Visitors Programme and a distinguished fellow at the Observer Research Foundation (ORF) New Delhi. Mr. Bansal, in collaboration with Hammurabi & Solomon, has advised CEOs across the spectrum of strategy, regulation, advocacy and the media. He served as Treasurer of The Editors Guild of India and Foundation of Media Professionals. His analysis on politico-economic issues appears on various media platforms.

08 Vinay Chhajlani

Mr. Vinay Chand Chhajlani holds BE (Hons) in EEE from BITS Pilani India and MS in Printing Technology from Rochester Institute of Technology (RIT) USA. Mr. Chhajlani, after a brief career in technology and planning in a leading printing company in Boston moved back to India. He founded SUVI Information Systems Private Limited (later renamed as Diaspark Infotech Private Limited), which is a dual shore IT Services Company with operations in USA and India. He also founded Webdunia.Com (India) Private Limited, a leading Indian language portal and internet technology company. He has keen interest in technology and media space with which he has been involved in various executive and strategic capacity for last 20 years. His expertise lie in IT consulting, business management and new product initiatives in media and digital technologies.

For a detailed profile of the Directors, please refer to the Corporate Governance Report from pages 86 to 89.

Chairman's Message



We continued to launch new shows and expanded into new geographies both in India and internationally. We revamped and re-launched our offerings to derive the best results from our operations. This includes revamping the morning prime time band of CNN-News18, re-launch of IBN7 evening prime time, revamp of IBNLive to give it a fresh look, and rebranding of ETV regional entertainment channels as Colors.

Dear Shareholders,

I am pleased to share your Company's performance for the Financial Year 2015-16 with you. Since the transfer of ownership to Independent Media Trust (IMT) in 2014, we continued to synergise the immense potential of Network18's valuable network of brands with our strong network of subsidiaries and strategic joint ventures. Our mission and approach is to bring together information, entertainment, and experiences to our audiences in a manner that delights them, consistently. Towards this end, we are embarking on a strategic realignment of the business and ensuring that we remain ahead of, and abreast with, emerging dynamics in our operating environment.

The year 2015 proved to be a pivotal year for the media and entertainment (M&E) industry. We witnessed a plethora of far-reaching changes such as rollout of 4G services and growth of OTT (Over The Top), which have increased the relevance, and demand for smartphones and tablets. The M&E industry is being driven by technological innovation and faster internet speeds as its enablers. Rapid digitisation, enhanced internet penetration and 4G ramp up has moved content viewing beyond television to mobile phones and handheld devices. Moreover, the country is witnessing an extremely high mobile penetration, which has given a boost to the app ecosystem. The introduction of BARC ratings is also of seminal importance to the future of the industry.

Audience needs and aspirations are guiding the overall growth of the industry. There is an increased focus on creation of customer targeted localised content. Local language users continue to increase at a fast rate as a result of increased internet penetration and easier access to technology, leading to a significant growth in demand for regional content.

We at Network18 have aligned our strategy to be able to harness the opportunities of the connected, social and digital world.

TO CONTINUE TO REMAIN RELEVANT TO OUR DIGITAL-SAVVY CUSTOMERS, WE REINFORCED OUR DIGITAL-FIRST STRATEGY. OUR EFFORTS HAVE BEEN VISIBLE AS OUR NEW MONEYCONTROL APP WITNESSED 32% IMPROVEMENT IN ENGAGEMENT

Well-diversified to create experiences

Our offerings span the media and entertainment universe. Our multi-platform portfolio of TV channels, digital offerings and print publications helps us in keeping our audience well engrossed and thoroughly engaged. We provide a holistic experience to our customers and our endeavour is to provide them content that can be accessed across devices irrespective of location. Our presence is spread well to ensure that nature of information needed, customer location and time are no barriers to access content. Our range of brands and products are created such that we can cater to the myriad needs of various audiences covering all genres, age groups and geographies.

Tapping opportunities with adaptability

Today, customers have become digitally stronger and there is an increase in demand for non-linear media. We have been a customer-led organisation and have always tried to blend consumer insight into our strategy. In order to proactively tap the opportunity the new age digital-savvy customers offer, we launched VOOT in March 2016 - an exclusive digital video on demand OTT platform.

To continue to remain relevant to our digital-savvy customers, we reinforced our digital-first strategy. Our efforts have been

visible as Moneycontrol App witnessed 32% improvement in engagement post the launch of the new app. We continued to launch new apps and revamped several existing ones across various segments this year.

In order to capture the demand held by regional customers across geographies, we re-emphasised on our regional focus and launched channels customised to hyperlocal needs and demands. We expanded our bouquet of regional news channels with the launch of ETV News Odia. News18.com has also been rebranded to Pradesh18 and is now available in English, Hindi, Urdu, Gujarati and Bengali.

Enhanced capabilities

We continued to work towards enhancing our efficiency by implementing major initiatives. We technologically upgraded all ETV regional news channels to produce better quality content for our viewers. We migrated News18 to a new domain and transformed the website in line with our operational philosophy of being customer led.

We continued to launch new shows and expanded into new geographies both in India and internationally. We revamped and re-launched our offerings to derive the best results from our operations. This includes revamping the morning prime time band of CNN-News18, re-launch of IBN7 evening prime time, revamp of IBNLive to give it a fresh look, and rebranding of ETV regional entertainment channels as Colors.

We have created an operational framework that is highly adaptable to the changing needs and preferences of the customer. We believe in early adoption of technology and its ability to help in gaining advantage over our peers.

On a concluding note

I am thankful to the members of the Network18 family for persistently striving for excellence.

WE HAVE CREATED AN OPERATIONAL FRAMEWORK THAT IS HIGHLY ADAPTABLE TO THE CHANGING NEEDS AND PREFERENCES OF THE CUSTOMER. WE BELIEVE IN EARLY ADOPTION OF TECHNOLOGY AND ITS ABILITY TO HELP IN GAINING ADVANTAGE OVER OUR PEERS.

I would like to share my heartfelt gratitude to our Directors for their valuable guidance. I would also like to thank our stakeholders, business partners and team members for the confidence they have reposed in our Company.

I seek your unrelenting support in our journey, as we continue to leverage technology and couple it with emerging customer trends thereby creating a sustainable business.

With best wishes,

Adil Zainulbhai
Chairman

INFORMATION





Business News



CNBC-TV18 and CNBC-TV18 Prime HD

FY15-16 marked the 16th year of CNBC-TV18's leadership as India's No. 1 TV channel in the English business news genre. It continued to be the No.1 English business news channel with 50% market share amongst affluent viewers and reached out to more than 33 million viewers in Q4'2015 itself.

This financial year ended on a high note with BARC declaring CNBC-TV18, the most watched channel during the biggest policy event of the year, the Union Budget 2016. During Budget Week, CNBC-TV18 garnered a record 72% viewership amongst English business news channel viewers as per BARC.

CNBC-TV18 Prime HD - CNBC-TV18 is also available in HD as CNBC-TV18 Prime HD, which is accessible in over two million households in India

72% viewership

During Budget Week, CNBC-TV18 garnered a record 72% viewership amongst English business news channel viewers as per BARC.



CNBC-Awaaz

CNBC-Awaaz in its 11th year is today the largest business news channel in the country, leading the Hindi business news genre by a large margin. More than 56 million viewers tuned in to CNBC-Awaaz alone in Q4'2015 and it is the No.1 Hindi business news channel with 63% market share in the Hindi speaking market (Urban + Rural).

CNBC-Awaaz outranked the competition during the market hours in the Union Budget week and garnered 81% market share amongst core business news viewers in HSM Urban.



CNBC Bajar

CNBC Bajar is India's first Gujarati business news channel.

CNBC Bajar has registered a 55% growth in viewership in the month of March 2016 over the average of January and February amongst affluent viewers.

General News



CNN-News18 (formerly CNN-IBN)

CNN-News18 continued to be a dominant player, reaching out to more than 33 million viewers. FY 2015-16 turned out to be a milestone year for CNN-News18 as the channel celebrated its 10th anniversary.

CNN-News18 was the No.1 general English news channel on Budget Day with a 35% market share.



IBN7

With continued focus on most relevant and evolved content for Hindi viewers, IBN7 relaunched the channel's evening prime time during the first half of the year. Redesigned to provide a refreshed look, the prime time band – 8 p.m. - 11 p.m. had a new show called 'Hum Toh Poochenge'. This apart, three other shows got a fresh look and refreshed packaging – 'India 9 Baje', 'Danadan' and 'Criminal'.



News18

News18 is designed to give global audiences a 'Window into India'. The channel was rebranded "News18" from "News18 India" on March 18, 2016.

News18 expanded its footprint in North America and was launched in Canada on Rogers & Bell fiber in July 2015. The channel is present in key South Asian diaspora markets including the US, Canada, the UK, Singapore and the Middle East.

Regional News



ETV News Channels

ETV news network witnessed strong growth on account of expansion of its bouquet of regional news channels. ETV News Odia, the 10th and latest addition to ETV's regional news bouquet, was launched in May 2015. This helped to further increase ETV's stronghold in the regional news space. With this expansion, the ETV news network has further strengthened its position in the regional markets and now covers all of North India and parts of South India.

ETV NEWS ODIA, THE 10TH AND LATEST ADDITION TO ETV'S REGIONAL NEWS BOUQUET, WAS LAUNCHED IN MAY 2015.



IBN-Lokmat

IBN-Lokmat has completed seven years of impartial, fearless and impactful journalism. A new brand positioning of 'Maharashtracha Mahachannel' was introduced as a reinforcement of being the 'Voice of Maharashtra'.

The channel bagged the prestigious 'Ramnath Goenka Excellence in Journalism Awards' during the year under two separate categories.

IBN-Lokmat has a strong social media presence with around 1.5 million Facebook fans, 20,000+ Twitter followers, 30,367+ subscribers on YouTube.

IBN-LOKMAT HAS A STRONG SOCIAL MEDIA PRESENCE WITH AROUND 1.5 MILLION FACEBOOK FANS, 20,000+ TWITTER FOLLOWERS AND 30,367+ SUBSCRIBERS ON YOUTUBE.



Publishing

Forbes INDIA

Forbes India

Forbes India is amongst the most prestigious business publications in the country today. This year the team also launched 'The Super 50' (the best Indian public companies) and 'The Southern Giants' (the best businessmen from South India).

CEO Dialogues, a Forbes India signature event, was one of the biggest talking points in the Indian business industry, bringing together almost 60 CEOs from across the country to discuss challenges and opportunities of different business sectors.

OVERDRIVE

Overdrive

Overdrive through its unique concept of 'Live Life in Overdrive' has further boosted its engagement amongst its readers through various events. In December, Overdrive launched its App on Google Play Store and Apple iOS, and till date approximately 10,000 readers have downloaded the app.

Better Photography

Better Technique, Better Height, Better Pictures

Better Photography

Better Photography organised the 7th edition of the most renowned 'Wedding Photographer of the Year' awards. This year in association with Mercedes Benz India, Better Photography conducted a unique contest viz 'Frame the Star' for photo and auto enthusiasts.

better interiors

IDEAL AND DESIGN FOR BETTER LIVING

Better Interiors

Better Interiors enjoys the respect of and shares a good rapport with leading industry firms, architects, designers, etc. and a roster spanning renowned clients like Godrej & Boyce, H & R Johnson, Hafele, Nitco, Pidilite, Whirlpool, Royale Touche, etc.

Digital Content

FIRSTPOST.

Firstpost.com

The Firstpost website touched 6.9 million average unique visitors per month and 35 million average monthly page views. The average pages visited per session grew by 2.28% to 2.93% page/session while the bounce rate reduced by 1.40% to 66.38%, a further testimony to the power of the content on Firstpost content on Firstpost.

The Firstpost mobile site gained 5.9 million average unique visitors per month along with 24 million average monthly page views.

News 18.com

News18.com

News18 is amongst the top five most visited English news websites in India. News18 underwent a major transformation this year, moving to the most popular publishing platform and a new UI/UX.

PRADESH 18

Pradesh18.com

The site focuses on increasing its coverage, through Hindi, Gujarati, Urdu and Bengali language content.

in.com

In.com

This is Network18's aggregator platform, showcasing its content strength; providing a window to the digital content of the Company.



ENTERTAINMENT





Hindi Entertainment



Colors

Colors today is synonymous with entertainment in India. With an engrossing line-up of distinctive and meaningful programming, Colors continued to entertain audiences across all demographics. It ranked No. 1 for several weeks in FY16 and finished the year ranked a strong No. 2 (only 0.5% below No. 1 in market share). Finite fantasy fiction show 'Nagin' quickly became the No. 1 show in the genre achieving over 20 million impressions in highest rated episodes. Colors has a strong social media presence and was No. 1 in the social media buzz in 7 out of 12 months in FY16.

No. 1

MTV was No. 1 in the social media buzz in 10 out of 12 months in FY16 in the youth genre.



Colors HD

Colors HD was the No. 1 HD channel for the year.



Rishtey

Rishtey is Viacom18's second Hindi mass entertainment offering in India. It ranked amongst the top 10 Hindi general entertainment channels (GECs) for the year. A free-to-air channel, Rishtey targets the rural market (which forms ~50% of total Hindi GE viewership).

FINITE FANTASY FICTION SHOW 'NAGIN' QUICKLY BECAME THE NO. 1 SHOW IN THE GENRE ACHIEVING OVER 20 MILLION IMPRESSIONS IN HIGHEST RATED EPISODES.



MTV India

It was the No. 1 youth channel for the year. The channel had several successful shows during the year such as 'Love School' (which became No. 1 within a month of launch), 'Splitsvilla', 'Kaisi Yeh Yaariyan' and 'Warrior High'. FLYP@MTV, World's 1st MTV themed café, was launched in Delhi in December 2015. MTV was No. 1 in social media buzz in 10 out of 12 months in FY16 in the youth genre.

Music/Miscellaneous



MTV Indies

MTV Indies is the world's largest platform for independent subcultures. Led by music, MTV Indies also reflects other subcultures such as independent films, art, comedy and more, thereby taking these alternative art forms into the homes of millions.

YOU CLICK. WE PLAY. EVERY WEEKEND.

Vote for your favourite award-winning show and binge watch it, every weekend.

MULTI-AWARD WINNING SHOWS | OSCAR-WINNING STAR CAST | CRITICALLY ACCLAIMED

INDIAN TELEVISION PREMIERES

DEMAND

LAUNCHES JUNE 11 | 12 WEEKENDS | SAT SUN 12 PM

CLICK TO VOTE

colors INFINITY
CO-CURATED BY KARAN & ALIA

English Entertainment



Vh1
Vh1 provides viewers with their daily dose of International music, Hollywood, pop culture and lifestyle. The channel ranked No. 1 in the genre in FY 2015-16. Vh1 also airs the biggest talent hunts from across the world such as 'Britain's Got Talent', 'Asia's Got Talent', 'American Idol' and 'X Factor UK'. The channel upgraded its feed to HD this year.

1.2 million
Nickindia.com receives close to 1.2 million average page views in a month. The website hosts 196 games and 173 videos that engage the kids through various interactivities through the year.

COMEDY CENTRAL

Comedy Central
Comedy Central is India's first 24-hour English language comedy channel. It finished FY 2015-16 ranked No. 1 (in March 2016) and ranked No. 2 for the full year. The channel upgraded its feed to HD this year.

Colors Infinity
Co-curated by youth icons Alia Bhatt and Karan Johar, Colors Infinity was launched in July 2015 and redefined the English entertainment genre in India by introducing several distinctive features. The channel has an array of innovative original programming including the first original English singing talent show in India 'The Stage'.

Kids Entertainment

Nickelodeon
Nickelodeon is the No. 1 channel in the Kids category for the year. Nickelodeon school contact programme reached out to 150 schools across multiple cities in the country. The channel's website, Nickindia.com receives close to 1.2 million average page views in a month. The website hosts 196 games and 173 videos that engage the kids through various interactivities through the year. The Nickindia community on Facebook has over 1.2 million fans.

Sonic Nickelodeon
Sonic serves the right combination of action and comedy. The channel reaches out to over 10 million kids every week. Sonic maintained its lead over its closest competitor Disney XD with compelling shows such as 'Pakdam Pakdai', 'Supa Strikas', 'Idaten Jump' and 'Power Rangers'.

PEACE COMES AT A PRICE

RIGHT AFTER THE U.S. TELECAST

TYRANT
SEASON 3

Presented by: **THE MENTOR MEN** | Powered by: **YAMAHA MUSIC #madeofgreat** | Associate sponsor: **SKINN** | E-commerce partner: **Flipkart**

colors INFINITY



Colors Gujarati

Colors Gujarati is the only Gujarati general entertainment channel that reflects the kaleidoscopic tastes distinctive to the Gujaratis. With quality content offering such as 'Suri' and 'Food Thi Gujarat', Colors Gujarati has successfully made inroads and continued to enthrall audiences.

Factual Entertainment



History TV18

History TV18 ended the year on a high, dominating the factual entertainment genre with maximum viewership of 4,106 GTVTs, ahead of Discovery at 3,762 GTVTs and National Geographic Channel (NGC) at 2,987 GTVTs.

FY 2015-16 witnessed the launch of one of the channel's biggest local productions so far 'OMG! Yeh Mera India'.

Filmed Entertainment



Viacom18 Motion Pictures

The studio has emerged as a force to reckon with by delivering a series of critically and commercially successful films such as 'Margarita with a Straw', 'Manjhi – The Mountain Man', 'Drishyam', 'Pyar Ka Punchnama 2'. The studio distributed in India a stellar line-up of Paramount movies such as 'Terminator: Genisys', 'Mission Impossible: Rogue Nation' and 'Paranormal Activity 5'.



Nick Jr. / Teen Nick

Nick Jr. is 'the smart place to play' that believes in 'education' and 'entertainment' going hand-in-hand and is aimed at young parents and pre-schoolers. The channel reaches out to over 3 million kids every week.



Nick HD+

Nick HD+, the 1st Kids HD entertainment channel showcases top shows in high definition airing select content from Nick, Sonic and Nick Jr. with some exclusive content from Viacom.

Regional Entertainment



Colors Kannada

Colors Kannada is ranked the No.1 Kannada GEC every week in FY 2015-16. The channel is a leader in both fiction and non-fiction. Colors Kannada was No. 1 in social media buzz for every month in FY 2015-16.



Colors Bangla

Colors Bangla matches the distinctiveness of the rich Bangla culture with qualitative and contemporary programming. Signature shows in FY 2015-16 included Maa Durga (a mythological show on Goddess Durga) and Abbulish (a fun celebrity game show).



Colors Marathi

Colors Marathi is a strong No. 2 channel in its genre. Its flagship shows 'Kamala' (based on Vijay Tendulkar's play on female exploitation), 'Ganpati Bappa Morya' and 'Mejwani Kitchen Queen 2016', etc. continue to capture the hearts of the people of Maharashtra.



Colors Oriya

Colors Oriya is Odisha's first native language mass entertainment channel.

EXPERIENCES



Digital Content

moneycontrol.com
INDIA'S NO.1 FINANCIAL PORTAL

Moneycontrol

Moneycontrol continues to be the leader in the finance category across all parameters on the web and mobile. This year multiple new initiatives were taken up on the web and mobile front, including the launch of a new android and iOS app, broker research section and addition of NCDEX prices during the year. Post launch of the new app, the engagements have gone up by 32% and the portal has recorded close to 1 billion Page Views/month.



VOOT

VOOT was launched in March 2016 as Viacom18's exclusive digital video destination. Keeping with the ethos of the programming strategy to cater to viewers across geographies and demographics, VOOT has been designed to have content from network properties and exclusive content around our reality shows. It will also have the largest repository of kids' content in India and the largest number of original shows for any Indian OTT service.

BURRP !

burrp.com

Burrp became a pioneer in the Indian food discovery space with the introduction of consumer technology in the F&B segment in 2006. With a presence across 14 cities in the country and a view to expand to 35 in the next two years, Burrp is gunning for the vacant spaces in the market, while doing what it's best at - creating a new one!

E-Commerce Marketplace & Properties



HomeShop18

HomeShop18 now has a cumulative customer base of over 17.9 million on TV and Web, across 1,662 cities and towns across the country. They deliver to 9,563 pin codes in India, with 17% of them in tier II and III towns.



BookMyShow

In FY 2015-16, bookmyshow.com recorded an average of 71 million visits per month. In FY 2015-16, BookMyShow sold an average of over 7.8 million tickets per month on its portal and its mobile application for FY 2015-16, clocking an impressive growth of over 82%.

7.8+ million

BookMyShow sold an average of over 7.8 million tickets per month on its portal and its mobile application for FY 2015-16, clocking an impressive growth of over 82%.

HOMESHOP18 HAS A CUMULATIVE CUSTOMER BASE OF OVER 17.9 MILLION ON TV AND WEB, ACROSS 1,662 CITIES AND TOWNS ACROSS THE COUNTRY.



Content Asset Monetisation



The content monetisation function for TV18 and Viacom18 content and channels is wholly managed by IndiaCast, an equal partnership joint venture between the two companies. Additionally, it monetises channels and content for other broadcasters too. The entity has three clear mandates of distribution, syndication and licensing of content.



Domestic

It manages domestic distribution of the channels from Viacom18, TV18, and other broadcasters across various platforms like Cable (digital and analog), DTH, HITS & IPTV. It also ensures best-in-class availability and reach of all channels by strategically managing key aspects of availability and position of the channels on the EPG.

International

It monetises channels/ content/ programmes from TV18, Viacom18 and other broadcasters, across international territories and platforms. With offices in Dubai, Singapore, London and New York, IndiaCast reaches out to the South Asian Diaspora across the globe. It manages the International Business by generating Advertising Sales and Affiliate Revenues. It also syndicates content from the Group in more than 210 countries in over 25 languages (including Hebrew, Russian, Serbian, Bosnian, Albanian, Macedonian, Kazakh, Swahili, Spanish, and English, among others).



Digital

It also manages digital initiatives of the Group, linear and non-linear channel distribution to online sites, OTT platforms, and Value Added Services (VAS) / Telco players for mobile and broadband consumption.

Corporate Information

BOARD OF DIRECTORS

Adil Zainulbhai
Independent Director and Chairman

Deepak Shantilal Parekh
Independent Director

Nirupama Rao
Independent Director

Dhruv Subodh Kaji
Independent Director

Rajiv Krishan Luthra
Independent Director

Prasoon Joshi
Independent Director

Rohit Bansal
Non-Executive Director

Vinay Chand Chhajlani
Non-Executive Director

COMPANY SECRETARY

Yug Samrat

AUDITORS

Walker Chandio & Co LLP, Chartered Accountants, New Delhi

BANKERS

ICICI Bank Limited
Yes Bank Limited

REGISTERED OFFICE

First Floor, Empire Complex,
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Mumbai – 400 013, Maharashtra
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Fax: +91 22 6654 6925
Website: www.network18online.com
E-mail Id: investors.n18@network18online.com

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited
Karvy Selenium, Tower B, Plot 31-32,
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Nanakramguda, Hyderabad – 500 032
Ph: +91 40 - 6716 1700
Fax: +91 40 - 6716 1680
E-mail Id: nwminvestor@karvy.com
Website: www.karvy.com
Toll Free No.: 1800-425-8998

Management Discussion & Analysis



Forward-looking Statements

Statements in the Management Discussion and Analysis, which describe the Company's objectives, projections, estimates and expectations, may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in government regulations, tax laws and other factors such as litigation.

Company Overview

Network18 Media & Investments Limited is one of India's most diverse and leading Media and Entertainment conglomerate with interests in television, internet, filmed entertainment, e-commerce, magazines, mobile content and allied businesses. It has a substantial presence in the digital content space via its portals - Moneycontrol, in.com, Firstpost, News18 and Burrp. E-commerce marketplace and properties such as HomeShop18 and BookMyShow form an important part of Network18's line-up. Network18's publishing business has an interesting mix of business and special interest publications such as Forbes India, Overdrive, Better Interiors and Better Photography. The Company also has strategic investments in Yatra and Topper.

Network18's broadcast business is spearheaded by its subsidiary 'TV18

Broadcast Limited', which operates news channels such as CNBC-TV18, CNBC-Awaaz, CNBC Bajar, CNBC-TV18 Prime HD, CNN-News18, News18 (a 24-hour Indian news channel in English targeting global audiences), IBN7, ten ETV regional news channels and IBN-Lokmat (a Marathi regional news channel in partnership with the Lokmat group). It also operates a 24-hour Indian news channel in English, targeting global audiences. On the general entertainment side, TV18 has a joint venture with Viacom Inc called Viacom18, which operates an array of general entertainment channels such as Colors, Colors HD, Colors Infinity, Rishtey, MTV India, MTV Indies, Comedy Central, Vh1, Nickelodeon, Nick HD+, Sonic and Nick Jr./Teen Nick and five regional general entertainment channels - Colors Kannada, Colors Bangla, Colors Marathi, Colors Oriya and Colors Gujarati. TV18 also has a joint venture with

A+E Networks, which operates History TV18, a factual entertainment channel. The group's movie business is operated through Viacom18 Motion Pictures. Viacom18 has launched VOOT, an OTT (Over The Top) distribution platform offering On-Demand Video content. TV18 and Viacom18 have formed a strategic joint venture called India Cast, a multi-platform content asset monetisation entity that drives domestic and international channel distribution, placement services and content syndication for the bouquet of channels from the group and other broadcasters.

Economic Overview

Global Economy

The International Monetary Fund (IMF)

has revised global growth forecast to 3.2% in 2016 as against 3.1% in 2015. However, the growth is likely to be weak and inconsistent, and primary risk factors include crude oil prices, the economic turmoil in Europe, global geopolitical tensions, slowdown in China and possible risks from weaknesses in emerging markets and developing economies.

In the United States, the overall economic activity remains strong. In the Eurozone, stronger private consumption supported by lower oil prices and easy financial conditions is providing a strong buffer to the economy against weakening net exports. China's economy is expected to grow 6.5% in 2016.



3.2%

The International Monetary Fund (IMF) has revised global growth forecast to 3.2% in 2016 as against 3.1% in 2015.

Global growth trend

(%)

| | 2015 | 2016 (P) | 2017 (P) |
|-----------------------------------|------|----------|----------|
| World Output | 3.1 | 3.2 | 3.5 |
| Advanced Economies | 1.9 | 1.9 | 2.0 |
| United States | 2.4 | 2.4 | 2.5 |
| Euro Area | 1.6 | 1.5 | 1.6 |
| Japan | 0.5 | 0.5 | -0.1 |
| United Kingdom | 2.2 | 1.9 | 2.2 |
| Other Advanced Economies* | 2.0 | 2.1 | 2.4 |
| Emerging and Developing Economies | 4.0 | 4.1 | 4.6 |
| China | 6.9 | 6.5 | 6.2 |
| India** | 7.3 | 7.5 | 7.5 |
| Sub-Saharan Africa | 3.4 | 3.0 | 4.0 |

P: Projections

*(Excludes the G7 - Canada, France, Germany, Italy, Japan, United Kingdom, United States and euro area countries).

**For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

(Source: International Monetary Fund, 2016)

Indian Economy

In an uncertain global economic landscape, India is widely seen as a bright spot of stability. Weaker commodity prices have helped cool inflation and improve fiscal and external balances, boosting India's growth prospects further. India is now an over

US\$ 2 trillion economy and its GDP growth in 2015-16 stood at 7.6%, up from 7.4% in 2014-15, making it the fastest growing major economy in the world. Positive policy actions and lower global oil prices are some of the key factors shoring up India's economy.

US\$ 2 trillion

India is now an over US\$ 2 trillion economy and its GDP growth in 2015-16 stood at 7.6%, up from 7.4% in 2014-15, making it the fastest growing major economy in the world.

(Source: Entertainment Sector Report, IBEF)



Indian Media and Entertainment Industry Overview

The year 2015 was a seminal year in many ways for the Media and Entertainment (M&E) industry. It was a year that sparked excitement and renewed hope, albeit peppered with a healthy dose of reality. The year saw the launch and expansion of a host of new services, notably OTT, Hindi and regional feeds on social media as well as significant original programming. There is a lot of excitement and activity in the digital space, and many business

models are being experimented with. As seen before in many industries and parts of the M&E industry as well, India may develop its own unique business models rather than adopt global ones.

The M&E industry has been largely driven by increasing digitisation and higher internet usage over the last decade.

The Indian M&E industry is expected to reach ₹ 2,260 billion by 2020. This is

due to its large capacity to consume new products and businesses. (Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2016)

₹ 2,260 billion

The Indian M&E industry is expected to reach ₹ 2,260 billion by 2020.

The Indian Media and Entertainment industry: Size

(₹ billion)

| Overall industry size (For calendar year) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Growth in 2015 over 2014 |
|---|------------|------------|------------|------------|--------------|--------------|--------------------------|
| TV | 297.0 | 329.0 | 370.1 | 417.2 | 474.9 | 542.2 | 14.2% |
| Print | 192.9 | 208.8 | 224.1 | 243.1 | 263.4 | 283.4 | 7.6% |
| Films | 83.3 | 92.9 | 112.4 | 125.3 | 126.4 | 138.2 | 9.3% |
| Radio | 10.0 | 11.5 | 12.7 | 14.6 | 17.2 | 19.8 | 15.3% |
| Music | 8.6 | 9.0 | 10.6 | 9.6 | 9.8 | 10.8 | 10.2% |
| OOH | 16.5 | 17.8 | 18.2 | 19.3 | 22.0 | 24.4 | 10.9% |
| Animation and VFX | 23.7 | 31.0 | 35.3 | 39.7 | 44.9 | 51.1 | 13.8% |
| Gaming | 10.0 | 13.0 | 15.3 | 19.2 | 23.5 | 26.5 | 12.8% |
| Digital Advertising | 10.0 | 15.4 | 21.7 | 30.1 | 43.5 | 60.1 | 38.2% |
| Total | 652 | 728 | 821 | 918 | 1,026 | 1,157 | 12.8% |

Source: KPMG in India analysis, 2016

THE M&E INDUSTRY HAS BEEN LARGELY DRIVEN BY INCREASING DIGITISATION AND HIGHER INTERNET USAGE OVER THE LAST DECADE.

(Source: Entertainment Sector Report, IBEF)

Growth Drivers

Growth in socio-economic sector – The steady increase in disposable incomes and a burgeoning middle class have helped the Media and Entertainment sector in India. Relaxation of rules to allow foreign brands to establish themselves in India have further boosted this trend.

Digitisation – Digitisation has changed the way content is viewed in India today. The reach of digital platforms has led to a paradigm shift in consumption, with a large section of the population, hitherto untouched by the digital revolution, experiencing a variety of content on different platforms. Accordingly, content creators will have to up their game in terms of innovation and strategy.

Internet penetration via wireless connections and mobile phones is increasing rapidly. Besides consumers who are enjoying more content, this technological growth has benefited internet advertising too by providing an alternate platform to advertisers.

Growth in Regional Markets – Advertisers and brands are actively looking to cash in on relatively underpenetrated rural markets to establish a strong foothold, especially in television and print media.

Favourable policy initiatives – The Indian government has taken various initiatives for the Media and Entertainment industry. These include:

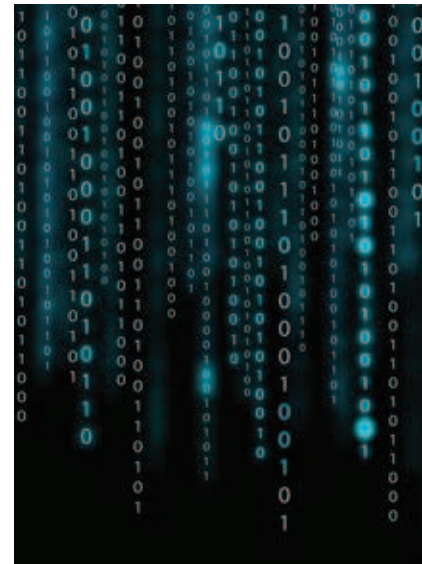
- Digitising the cable distribution segment that would draw greater institutional funding
- In broadcasting, the FDI limit was increased from 26% to 49% via the Foreign Investment Promotion Board (FIPB) approval route for news and current affairs television channels; the limit for non-news and current affairs television channels remains at 100%, but does not require an approval from the FIPB now

- Increasing FDI limit from 74% to 100% in distribution platforms such as cable and DTH
- Granting industry status to the film industry for easy access to institutional finance
- Granting licences to 45 new entertainment and news channels
- An audio-visual co-production deal has been signed between the Indian and Canadian governments to help producers from both countries explore technical, creative, artistic, financial and marketing resources for co-productions

Key highlights / developments:

1. Digitisation: Slower than expected, albeit a game changer

Phase III digitisation failed to meet its deadline with around 76% of boxes seeded by December 2015. While the government has not officially extended the timelines, the process has slowed down due to multiple court cases challenging the process. Further, benefits of Phase I and II, particularly on ARPU (Average Revenue per User) have failed to materialise due to a number of on-ground challenges across the distribution value chain. This resulted in

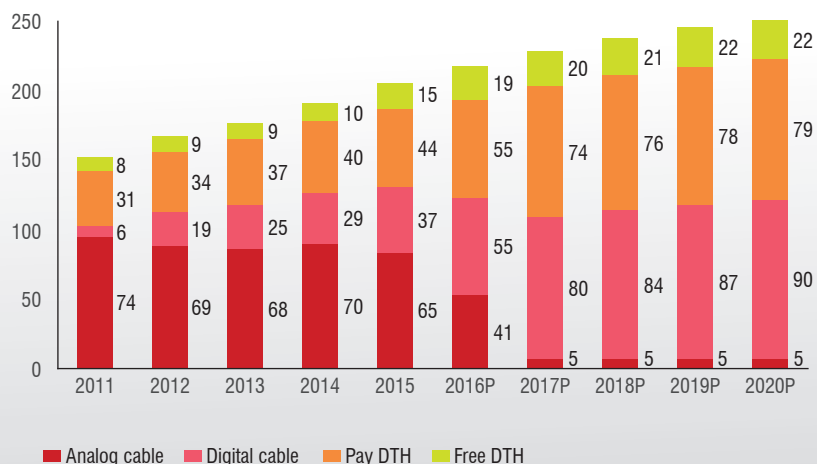


a slowdown in subscription revenue growth in 2015.

It is expected that by 2020, the ratio between digital cable subscribers to DTH subscribers would be 53:47 (i.e. 90 million digital cable subscribers and 79 million DTH subscribers).

No. of subscribers

(₹ in million)



(Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2016)

40%

3G and 4G subscribers are likely to constitute 40% of the total wireless internet subscriber base.

2. 4G Rollout - The game changer

The most critical game changer is the advent of 4G services in India. 3G and 4G subscribers are likely to constitute 40% of the total wireless internet subscriber base. Content viewing has already moved beyond television to mobile phones and handheld devices. This trend will only accelerate as 4G ramps up. It is likely to be a highly competitive space, resulting in lower data costs and with consumers likely to be the main beneficiaries. (Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2016)

3. Rollout of BARC

TAM (Television Audience Measurement) India was replaced by BARC (Broadcast Audience Research Council) India in April 2015. BARC India is the only government registered TV ratings agency in India.

BARC has thrown up huge amount of rural viewership data that was not accessible earlier. Channels and content creators are now exposed to previously untapped viewer data, which could lead to a paradigm shift in content strategy.

For the first time in India, BARC launched All India (Urban + Rural) TV viewership data that currently covers 153.5 million TV households with 77.5 million urban and 76 million rural households spanning megacities, 1-7.5 million towns and less than 1 million urban areas and rural areas.

Key Highlights of BARC India

Inclusion of new markets: BARC India data covers several new markets such as rural India, Jammu and Kashmir and North East. Overall, there has been a significant increase in the number of households included.

Impact on content: On the content side, the collective rural and urban ratings will need to be thoroughly analysed before tangible progress is made on the guidance provided by data. Broadcasters are also likely to review their programming to accommodate the content consumption patterns in rural markets as well.

DD FreeDish: Inclusion of rural markets in ratings and Phase III digitisation together has increased the importance of DD FreeDish and more broadcasters will now see merit in joining this platform.

Better Coverage than TAM: Besides covering the urban population, BARC India covers the rural sector as well. Moreover, BARC India uses NCCS (New SEC), where households are classified based on the education of the chief wage earner and ownership of a number of consumer durables from a fixed list (like electricity connections, cars, 2-wheelers, AC's etc.) to more accurately reflect their purchasing power.

Impact on Advertising: With widespread coverage by BARC, the advertising sector can now plan their strategies in a better way. Although it can get challenging to tailor communication for different segments, it will ensure the right message is directed at the intended audience. Advertisers can now enjoy better reach and visibility.

BARC INDIA DATA COVERS SEVERAL NEW MARKETS SUCH AS RURAL INDIA, JAMMU AND KASHMIR AND NORTH EAST. OVERALL, THERE HAS BEEN A SIGNIFICANT INCREASE IN THE NUMBER OF HOUSEHOLDS INCLUDED.

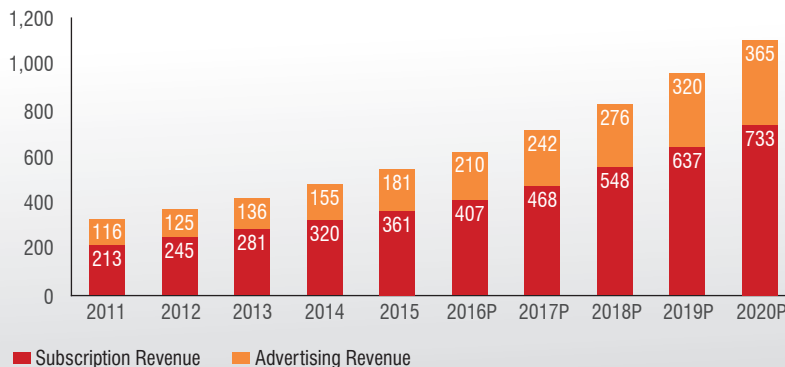
Media Industry The Indian Television Industry Overview

The size of India's television industry was estimated at ₹ 542 billion in 2015, which is expected to grow at a CAGR of 15% to touch ₹ 1,098 billion in 2020. Subscription revenues were estimated to have grown at a CAGR of 15% due to increased monetisation, while advertising revenue was also estimated to have grown at a CAGR of 15%.

The number of TV households in India stood at 175 million in 2015 – a market reach of 62%, and is expected to touch 200 million by 2020. The number of cable and satellite (C&S) subscribers was pegged at 160 million, reaching 174 million by 2020. With such industry expectations, the future of Indian television looks bright.

TV Industry Size

(₹ in million)



(Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2016)

Hindi GEC

Hindi general entertainment channels (GECs) continue to form the major chunk of content watched on television at 29% market share. Hindi GECs remained the clear favourite on the advertising front, witnessing a growth of 15-16% in advertising revenues in 2015. (Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2016)

Although the introduction of a new TV viewership measurement system by BARC India led to ambiguity in ratings, the top performing shows saw increased advertising spends based on past performances and internal assessments by advertisers. The inclusion of rural data in the sample size led to a scale up in the rankings of channels. Free-to-air (FTA) channels such as Zee Anmol, Star Utsav and Rishtey started appearing in the top 10 channels list.

Hindi Movie

The Hindi movies genre is mostly used for frequency building and in the past, the genre has largely grown on the back of increase in advertising inventory through the addition of channels. It is expected that advertising budgets from advertisers will continue to increase in this genre. The past couple of years have seen a rationalisation in prices of C&S rights of Hindi movies.

English Content (GEC and Movies)

The English entertainment platform has shown healthy growth in advertising revenues over the past years, growing at 15-20% annually. This genre includes English movie channels and English GECs, where the latter grew at a faster clip. With rising content cost due to increase in production cost in the global markets, this genre continues to be burdened. However, large broadcasters continue to

invest in their English bouquet in anticipation of it driving growth in subscription revenues because of the premium positioning of the channels.

Regional Content

According to BARC, regional movies and regional music accounted for 38.99% viewership share over the period - Week 41, 2015 to Week 7, 2016. Among regional markets, the Telugu market, with a 24.4% viewership share, was the second largest. Tamil channels had the highest share in terms of viewership with 25.7% share. In regional markets, GECs are the leading segment with 29.6% viewership share followed by regional movies with a 6.6% share in 2015.

Dubbed content in the regional space has increased the cost of content. Thus, regional TV channels are looking at investing in original content.

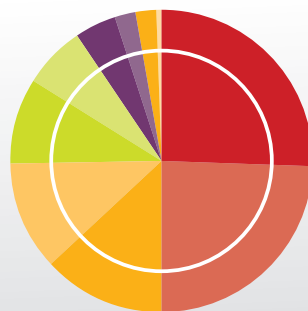


29%

Hindi general entertainment channels (GECs) continue to form the major chunk of content watched on television at 29% market share.

Viewership share of regional channels

(%)



(Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2016)



News segment

The television news industry witnessed a modest growth of 5-8%, with non-traditional players such as e-commerce and auto being the top drivers. One of the reasons for tepid growth was lesser advertising spend in 2015. However, Patanjali, a consumer products brand led by Baba Ramdev emerged as one of the biggest spenders, with advertising spends mainly in the news genre.

From a cost perspective, 2015 was not a good year for the news genre. This is primarily because the businesses could not fully absorb the benefits of digitisation. They also incurred increased expenditure on employee and talent costs. Carriage fees were hiked as well for new deals.

With the increasing usage of internet and smartphones, news channels present on digital platforms gained traction. News broadcasters are aiming to utilise social media to increase viewer engagement. They are looking to leverage this trend and earn extra revenues from the digital space going forward.

Kids segment

The kids genre has been doing well in terms of advertising revenue. This genre is largely dominated by advertising targeted at children and non-traditional categories such as e-commerce and autos. The non-kids brands contribute to 45-65% of the inventory because 90% of households own only a single TV and a lot of default viewing therefore occurs. Keeping this in mind, advertisers decide to broadcast non-kids advertisements, especially advertisement focusing on mothers.

According to industry experts, children connect better with local language content. This niche segment has a lot of promise for growth. Sun TV currently leads this space as they have one channel in each of the four South Indian languages – Tamil, Telugu, Malayalam and Kannada. Disney and Hungama both provide their Kids channels with Tamil and Telugu audio feeds, while Cartoon Network and Pogo are available with Tamil feeds.

Sports segment

Sports has been the best segment among the various genres of television content. The Indian Premier League and Cricket World Cup continued to attract increased sponsorship, translating into higher advertising spends. The biggest positive has been the interest generated in sports other than Cricket. Creation of leagues in sports such as Kabbadi and Football has turned out to be a successful outing for its promoters, especially Kabaddi, which is now likely to be a bi-annual event.

Content is King: Increased relevance of content in the time of digitisation and consumer data boom

The Indian television industry has evolved manifold in the last two decades. From around 25 channels in 1995 to over 800 channels today, everything from viewing experience, operating models to nature of programmes has changed. Importantly though, to survive in this cut throat competitive market, delivering quality content is the key. With each new channel or platform, the emphasis on quality is only increasing.

WITH THE INCREASING USAGE OF INTERNET AND SMARTPHONES, NEWS CHANNELS PRESENT ON DIGITAL PLATFORMS GAINED TRACTION. NEWS BROADCASTERS ARE AIMING TO UTILISE SOCIAL MEDIA TO INCREASE VIEWER ENGAGEMENT.

(Source: <http://www.journalism.org/2016/06/15/state-of-the-news-media-2016/>)

Innovation: Need of the hour. At the heart of facing competition from digital media

Channels are looking at different ways to hook the viewer and encourage appointment viewing. For example, the telecast of back-to-back episodes of a particular programme to induce binge watching or localisation of content leading to niche segmentation or by catering to audience needs with shows such as 'On air with AIB'. As competition is increasing, greater emphasis is being laid on creating content for targeted consumers. Channels today are creatively packaging their shows and use innovative marketing techniques to reach the intended consumer. Customer data analytics plays a big role in driving the agenda of innovation as it forms the bedrock of direction that is to be taken in terms of content and overall strategy. Given the fast changing dynamics and the impact of BARC, TV industry looks set for a surge in business. It is a time when content

creators and advertisers need to be on their toes and constantly look to innovate. Earlier, the competition was between programmes of similar genre and channels, it has now enhanced to a battle between platforms - television versus online medium. While the online medium fixes the issues and glitches in its efficiency, TV industry can strategise and up its game.

Print Industry

The Indian print industry grew at a rate of 7.6%, up from ₹ 263 billion in 2014 to ₹ 283 billion in 2015. Print advertising continued to be robust as advertising revenue reached ₹ 189 billion. The revenues from advertising have grown at a CAGR of 8.5% between 2010 and 2015, whereas circulation revenues grew at a CAGR of 7.1% during the corresponding period. More than 66% of the total revenues were accounted for by advertising and the rest by circulation revenue.

INDIAN AUDIENCES ARE WITNESS TO AND ENJOY VARIED CONTENT RANGING FROM WILDLIFE, LIFESTYLE, SCIENCE, TECHNOLOGY, FORENSIC, SURVIVAL, AND ADVENTURE. THIS SHOWS A SUBSTANTIAL APPETITE FOR NON-FICTION CONTENT AS WELL.





Digital Consumption

Digital advertising is expected to continue to be the fastest growing advertising segment for the media industry in the foreseeable future. Currently, in India, digital advertising constitutes about 12.6% of the total advertising market in 2015. It is expected to grow to 26% of the total advertising market by 2020.

Increasing second screen consumption, growing mobile internet and device penetration and technology innovations will drive digital advertising growth at a CAGR of 33.5% over the next five years. Digital advertising continued its strong run with a 38.2% growth over 2014 as a growing internet user base and usage was supplemented by increased spend allocation by marketers.

Conclusion / Drivers

Overall, the growth story of the M&E sector continues to be positive with a few challenges like completion of digitisation. Opportunities are going to be plentiful considering the technological boom that we

are witnessing, the best of which is yet to come. The largely unpredictable challenges of content strategy and the flux in viewership consumption makes for uncertain times for the industry. That said, these challenges are cloaked in potential for exponential growth. The key is to tap consumers' mind and leverage any first mover advantage.

Impact of rural ratings on the industry

How the rural rating inclusion will shape the industry dynamics?

The ratings have identified the prime time in rural markets between 5.30 p.m. to 10.30 p.m. This will allow broadcasters to review their programming to accommodate content consumption patterns in rural markets. Currently, the rural market occupies only 7-10% of the total TV news advertising pie, which is expected to grow at a rapid rate. Monetisation of rural markets will be one of the key growth drivers for the TV news industry in the coming years. Advertisers can now have real data to back their media budgets aimed at the rural audience,

eventually facilitating crucial decisions. Rural ratings will benefit e-commerce marketers as well since this sector is gradually turning its attention towards capturing under-penetrated rural markets given the saturation in urban markets for specific product categories. With rural ratings available now, it will be easier for content creators to create specific content, keeping in mind preferences of the rural population.

Inclusion of rural markets in ratings and Phase III digitisation together has made DD FreeDish a lot more relevant. More broadcasters will consider becoming available on the DD FreeDish platform.

However, the inclusion of the rural ratings is still at a nascent stage and its implications and the overall effect still remains to be fully deciphered. Going forward, advertising rates and advertising spend allocation could change significantly if similar trends sustain.

Network 18

Operating Strategy

Network18's operating model is driven by its zeal to provide consumers with best-in-class Media and Entertainment products that set new benchmarks in creative excellence, fair journalism and audience engagement.

01 Consumer Driven Model

Network18 is steered by the zeal to provide consumers with best-in-class Media and Entertainment offerings that set new benchmarks in creative excellence, fair journalism and audience engagement across multiple touch points. At Network18, we constantly strive to understand the changing tastes and preferences of our audiences.

02 Consumer Engagement with a Diverse Content Platter

With a younger and more aware demographic steering demand, Network18 has packaged an interesting portfolio of TV channels, digital offerings and print publications. Our content creation is steered by the commitment to keep audiences thoroughly engaged. From ground-breaking reality shows, entertaining comedy programmes to innovative music programmes, we have sustained an enviable position in the industry.

03 Agility

Network18's business strategy is guided by the principle of capturing the pulse of the consumer. We remain agile to changing dynamics, tastes and preferences of our

audiences. From being early adopters of latest technologies to pioneering moves such as the home shopping initiative, its ground-breaking innovations have charted a new course for the industry over the years.

04 Innovation

We at Network18 believe in creatively packaging our shows and use innovative marketing techniques to reach the intended consumer. We firmly believe in customer data analytics as it plays a big role in driving the agenda of innovation and informs overall strategic direction.

05 Network Alliance

Network18's bouquet of 34 television channels offers a unique mix of national and regional programming, catering to diverse languages and genres. Network18's digital content and commerce segment includes a diversified portfolio of brands catering to a wide range of interests and services, including news and entertainment, markets and finance, online shopping and ticketing, and mobile phone services and applications.

06 International Collaboration

Network18 has partnerships with several leading global media players including Viacom in entertainment, CNN in English general news, CNBC in business news, A+E Networks in factual entertainment and Forbes in the business magazine genre to provide best-in-class media offerings.

07 People Development

People are a key differentiator in a media business and Network18 strives for excellence in this crucial area. It continuously recruits skilled professionals from various streams and regularly undertakes several skill development and employee engagement initiatives to retain its talent pool.

Strengths, Opportunities and Threats

The Company's consumer-led focus is manifest in its operational philosophy, which is centred on delivering maximum value to its stakeholders.

Multi-platform approach

The multi-platform consumer of today is more active, aware and assertive, with strong opinions on key issues. Network18 harnesses the power of this digitally empowered consumer in chalking out its product strategy for content creation across all platforms.

Brand excellence & innovation

At Network18, the focus is on driving the highest standards of creative excellence by fostering a culture of innovation to build new content formats across platforms, thereby creating strong brands across diverse media.

Thought leadership

Steered by a professional and experienced team, Network18 constantly strives to host thought leadership – on air, online and on-ground, deriving leadership not only through consumption numbers but also by facilitating the development of new ideas and emerging thought processes. It has to its credit numerous innovations across genres and platforms.

Network synergy

Network18 comprises leading television channels, digital and mobile properties and publications in all key media genres. This facilitates cross-promotion and cross-pollination of content across its network, thereby enabling enhanced advertising and subscription revenue generation.

Strategic collaborations

The Company has a track record of building successful strategic alliances with nationally as well as globally reputed names in the media industry, such as Viacom in entertainment, CNN in English general news, CNBC in business news, A+E Networks in factual entertainment and Forbes in the business magazine genre.

Opportunities

India's Media and Entertainment industry is on the cusp of a new era of growth, riding the digitisation of television distribution, steady growth of regional media and fast-emerging new media businesses. In this emerging media landscape, Network18, with its multi-platform portfolio is geared to tap into new business opportunities to be unlocked by leveraging technology innovation and harnessing emerging trends.

Threats

Despite the large opportunity canvas, the industry's growth could be hampered by various threats and challenges, notably piracy, violation of intellectual property, lack of quality content, inability of companies to ensure good quality production and distribution infrastructure. Network18 is continuously tracking these threats and upgrading its operational, legal and financial strengths to successfully counter the same.

OVER 550 million

Network18 reaches out to over 550 million* television viewers through its 34 channels.

Operational Overview Television Business

Network18 has an array of exciting brands and products designed to delight viewers across genres, age groups and geographies. Through its subsidiary, TV18 Broadcast Limited, it operates 34 television channels across news, entertainment and factual entertainment genres, in Hindi, English and various regional languages to cater to audiences across age groups and locations within and outside India.

Network18 reaches more than 550 million¹ television viewers through its 34 channels.¹

News

Network18 believes in fairness to be a core principle of engaging with audiences. It provides news and views that seek to go beyond the traditional newspaper and TV headlines. It delivers digital media solutions to cater to new age expectations. Network18's digital content and commerce segment includes a diversified portfolio of brands catering to a wide range of interests and services. This includes news and entertainment, markets and finance, online shopping and ticketing.

¹ Source: BARC | All India (Urban + Rural) | All 4+
1st Jan 2016 to 31st March 2016

Business News

**CNBC-TV18 & CNBC-TV18 Prime HD**

FY 2015-16 marked the 16th year of CNBC-TV18's leadership as India's No. 1 TV channel in the English business news genre. It continued to be the No.1 English Business News channel with 50%² market share amongst affluent viewers and reached out to more than 33 million³ viewers in Q4'2015 itself. During the year, CNBC-TV18 continuously reinvented its programming bouquet with new shows and formats to meet the needs of changing viewer preferences – from the informative journalism segment 'Did You Know?' to 'Market Wallahs' that brought on board the biggest fundamental guests and technical analysts for daily analysis of stock movements.

This year also saw the extremely successful 'Inside' series. CNBC-TV18 teams travelled to thriving financial centres of the country – Bengaluru, Chennai, Kolkata, Kerala and Hyderabad to do live market opening from these cities as well as special tête-à-tête's with each city's entrepreneur community.

This financial year ended on a high note, with BARC declaring CNBC-TV18 the most watched channel during the biggest policy event of the year – the Union Budget 2016. During Budget Week, CNBC-TV18 garnered a record 72% viewership⁴ amongst English business news channel viewers according to BARC. CNBC-TV18 is also available in HD as CNBC-TV18 Prime HD, which is accessible in over two million households in India.

**CNBC-Awaaz**

CNBC-Awaaz in its 11th year is today the largest business news channel in the country,



leading the Hindi business news genre by a large margin. More than 56 million viewers⁵ tuned in to CNBC-Awaaz alone in Q4'2015, making it the No.1 Hindi Business News channel with a 63% market share⁶ in the Hindi Speaking Market (Urban + Rural).

The channel, which is targeted at Hindi speaking consumers, retail investors, business leaders, small business owners, policy makers and other professionals, has been largely responsible for growing the business genre in India. CNBC-Awaaz with its extended coverage believes in simplifying understanding of business and also promotes the cause of financial inclusion.

CNBC-Awaaz also launched a big financial literacy initiative – 'Pehla Kadam' for spreading awareness about the importance of savings and investment through various platforms.

CNBC-Awaaz also hosts a number of industry benchmark awards and initiatives round the year. The year 2015 marked the 10th successful edition of the 'Real Estate Awards', the 9th Year of celebrating 'Travel Awards' and the first of its kind 'Tech Guru Awards'.

CNBC-Awaaz outranked the competition during the market hours in the Union Budget week, garnering 81%⁷ market share amongst core business news viewers in HSM Urban.

**CNBC Bajar**

CNBC Bajar is India's first Gujarati business news channel. CNBC Bajar has been engaging with the community that powers business in the country with various initiatives and setting new benchmarks with each initiative. CNBC Bajar engages with key policy makers and consumers in Gujarat via key initiatives including through 'Gujarat Diwas' and 'Gujarat Ratna Awards', which celebrated the spirit of excellence in business leadership and were presented by Hon. Chief Minister of Gujarat Smt. Anandiben Patel.

CNBC Bajar has registered a 55% growth in viewership⁸ in the month of March over the average of January and February amongst affluent viewers.

² Source: BARC | India/ India Urban | NCCS A 22+ male, 1st Jan-31st Mar'16, 24 Hrs

³ Source: BARC | India | All NCCS 4+ | 1st Jan-31st Mar'16, 24 Hrs

⁴ Source: BARC | India | NCCS AB 22+ male, 1 Mn+, 24 Hrs

⁵ Source: BARC | India | All NCCS 4+ | 1st Jan-31st Mar'16, 24 Hrs

⁶ Source: BARC | HSM | NCCS AB 22+ male, 1st Jan-31st Mar'16, 24 Hrs

⁷ Source: BARC | HSM Urban | NCCS AB 22+ male, Wk 9'16, weekdays, 0800-1600 hrs

⁸ Source: BARC | Guj/DND/DNH | NCCS A 22+ male, 1st Jan'16-31st Mar'16, 24 Hrs



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IBN7

With continued focus on most relevant and evolved content for Hindi viewers, IBN7 relaunched the channel's evening prime time during the first half of the year. Redesigned to provide a refreshed look, the prime time band – 8 p.m. - 11 p.m. had a new show called 'Hum Toh Poochenge'. This apart, three other shows got a fresh look and refreshed packaging – 'India 9 Baje', 'Danadan' and 'Criminal'.

The first quarter of FY 2015 was primarily dominated by coverage of PM Modi's visits to different countries, completion of Modi government's first year in office and the first International Yoga Day. On the occasion of the Modi government's first anniversary, IBN7 conducted a nationwide survey, spread across 20 states and more than 200 districts with around 20,000 sample size.

The channel launched two new shows – 'Shabaash India' and 'Khabron Mein Khaas'. The Bihar Assembly elections was a major area of focus for the channel. IBN7, along with the sister channel CNN-News18 was the first to call the Bihar elections correctly. IBN7 got a World Exclusive – the heart wrenching video of atrocities faced by residents of Pakistan Occupied Kashmir. The channel also did the most extensive coverage of PM Narendra Modi's visits to Russia, UAE and the US.

The latter part of the year was marked by several exposes aired by the channel which uncovered various scams – 'Operation 30 Seconds', 'Operation Yamraj' and 'Naukri Ke Lootere' – compelling the concerned government authorities to take cognisance and necessary action. IBN7 started an

General News



CNN-News18 (formerly CNN-IBN)

CNN-News18 remains a dominant player in English language general news, reaching out to more than 33 million viewers⁹. The year FY 2015-16 was a milestone year for CNN-News18 as the channel celebrated its 10th anniversary. Apart from the special programming for its 10th anniversary, the channel revamped its morning prime time band, launched new shows such as 'In Your City' and 'Simply South' and ran several social awareness campaigns.

The first half of the year saw CNN-News18 refreshing its morning prime time band with two new shows – '8 AM Express' and 'The Morning News'. As PM Modi completed one year in office, CNN-News18 brought extensive programming around the same that included 'MPs Roundtable', '5 Points PM', 'Newsmaker Interviews' and a national poll conducted

CNN-NEWS18 REMAINS A DOMINANT PLAYER IN ENGLISH LANGUAGE GENERAL NEWS, REACHING OUT TO MORE THAN 33 MILLION VIEWERS

across 23 states and more than 200 districts with a sample size of 20,000.

CNN-News18 also launched 'In Your City', a show focused on news from metro cities. The channel continued with its social campaigns through '#GoodSamaritans' (Helping accident victims), '#GiveltUp' (LPG subsidy) and '#WhyPayExtra' (Service Tax). CNN-News18 also did special programming 'Mission Bengaluru' around the Bengaluru Municipal Elections and Independence day programming '#MeriAzadi'.

The major highlight of the second half of the year was CNN-News18's world exclusive '#PakOsamaLinkRevealed', which had Pakistan's then Defence Minister admitting that his country's top brass were aware about Osama bin Laden's presence in the country. The special was extensively covered by key publications across the world. The Bihar elections coverage was another programming highlight for CNN-News18. The channel was the first to call the Bihar elections correctly.

CNN-News18 brought live coverage and analysis of the finance and railway ministers' speeches and special shows such as 'Axe The Tax', 'If I were FM', 'Budget Yatra', 'Budget on Campus', 'Kickstarting India', 'Booster Budget: Politics' and 'Budget & You'. CNN-News18 was the No. 1 General English News channel on Budget Day with a 35% market share¹⁰.

⁹ Source: BARC, Cumulative Cov [Mns], NCCS 4+, 01st Jan-31st Mar'16, 24 Hrs, All Days, All India.

¹⁰ Source: BARC, NCCS All 15+, 29th Feb'16, 24 Hrs, All India.

initiative called 'Dilli ko Saans Lene Do' on the deteriorating air quality in Delhi. The channel also aired a World exclusive that top Pakistani leadership always knew about Osama bin Laden's whereabouts.

The last quarter of the financial year again saw IBN7 bringing to the fore its strength in investigative journalism through reports such as 'Cancer Waali Nadi', 'Band, Baja aur Dakait', '#PakSnoopWar', 'Operation Phone Call', 'Lajja' and 'Noida Authority Ke Bhoot'. The channel launched a new crime show 'Ishq - a violent love story' that showcased some of the most infamous love stories that resulted in a crime. The channel did extensive programming on both the Rail and Union budgets.

NEWS 18

News18

News18 is designed to give global audiences a 'Window into India'. The channel was rebranded 'News18' from 'News18 India' on March 18, 2016.

News18 expanded its footprint in North America and was launched in Canada on Rogers & Bell fiber in July 2015. The channel is present in key South Asian diaspora markets including the US, Canada, the UK, Singapore and the Middle East.

News18 is a definitive news destination for the Indian diaspora and for conglomerates with business interests in India. News18 launched a special weekly feature 'Shades of India' in January 2016, which brings to viewers key cultural events and happenings from the Indian heartland. The channel's local programming such as 'The UK Edition' regularly features top news-makers from the UK.

Regional News



ETV News Channels

ETV news network witnessed strong growth on account of expansion of its bouquet of regional news channels. ETV News Odia, the 10th and latest addition to ETV's regional news bouquet, was launched in May 2015. This helped to further increase ETV's stronghold in the regional news space. With this expansion, the ETV news network has further strengthened its position in the regional markets and now covers all of North India and parts of South India.

By the end of FY 2015-16, ETV Bihar/Jharkhand and ETV Rajasthan were No.1 in their markets in terms of viewership, with 75% and 60% shares respectively, ETV News Gujarati was No.2 in its respective market¹¹.

In November 2015, the Bihar state elections were covered with a special setup at Hyderabad. ETV news network provided the fastest and most reliable results live to the audience. 22 channels sourced ETV news' data and ETV was given on-screen credits for the same.

On the counting day, ETV Bihar/Jharkhand was ranked No. 1 with more than double the rating compared to the No. 2 channel¹².

The technical upgradation work across all the ETV news channels was taken up and completed to produce better quality content for viewers.



IBN-Lokmat

On April 6, 2015, IBN-Lokmat completed seven years of impartial, fearless and impactful journalism. A new brand positioning

of 'Maharashtra Mahachannel' was introduced as a reinforcement of being the 'Voice of Maharashtra'. IBN-Lokmat was also the No.1 Marathi News channel¹³ during the Finance Minister's speech on the Union Budget Day.

The channel bagged the prestigious 'Ramnath Goenka Excellence in Journalism Awards' during the year under two separate categories.

During the year, IBN-Lokmat telecast various specials including 'Agenda Maharashtra', covered the first anniversary of the new state government and showed signature programmes such as 'MP's Report Card', 'Mahakumbh Mela', 'Wari - A Pandharpur pilgrimage', 'Bappa Morya Re', 'Deepotsav', 'State Budget 2016' and 'Union & Railway Budget 2016'.

Other specials that were introduced in the year include 'The Foknaad Show' - an entertainment show with spoofs on news, 'Crime Time' - a show based on real crime stories/ incidents, 'Desh Yatra' - a visit to prominent cities showcasing its importance along with the city's local issues and 'Hollywood-Bollywood' - a weekend entertainment show.

IBN-Lokmat also raised burning issues through various high impact campaigns - 'Irrigation Scam in Maharashtra', 'Sant Gadgebaba Swachata Abhiyan' and 'Jagar Panyacha' on the water crisis in the Marathwada region, 'Mumbai Monsoon Campaign', 'Mission Admission', 'Call Drop Campaign' and 'Road Safety Campaign'.

IBN-Lokmat has a strong social media presence with around 1.5 million Facebook fans, 20,000+ Twitter followers and 30,367+ subscribers on YouTube¹⁴.

¹¹ Source: BARC; Impressions (000s), Period: March 2016; Respective markets; NCCS All; 15+

¹² Source: TAM; TVT 000s, Date: 8th Nov'15, Market - All India, CS 15+ All

¹³ Source: BARC, Impressions [000s], Males 15+, 29th Feb 2016, 11:00 to 13:00, Mah/Goa.

¹⁴ Source: Simplify360 Social media analytics.



Hindi General Entertainment



Colors & Colors HD

Colors today is synonymous with entertainment in India. With an engrossing line-up of distinctive and meaningful programming, Colors continued to entertain audiences across all demographics. It ranked No. 1 for several weeks in FY16¹⁵ and finished the year ranked a strong No. 2 (only 0.5% below No. 1 in market share¹⁶). The channel airs globally renowned aspirational and adventurous non-fiction properties such as 'Bigg Boss', 'Jhalak Dikhhla Jaa' and 'Khatron Ke Khiladi'. The channel also strengthened and expanded the 'Comedy Nights' franchise by launching 'Comedy Nights Live' and 'Comedy Nights Bachao' (roast format). Finite fantasy fiction show 'Naagin' quickly became the No. 1 show in the genre achieving over 20 million impressions¹⁷ in highest rated episodes. Colors has a strong social media presence and was No. 1 in the social media buzz in seven out of 12 months in FY 2015-16¹⁸. Colors HD was the No. 1 HD channel for the year¹⁹.



Rishtey

Rishtey is Viacom18's second Hindi mass entertainment offering in India. It ranked among the top 10 Hindi GECs for the year²⁰. A free-to-air channel, Rishtey targets the rural market (which forms ~50% of total Hindi GEC viewership²¹). It features the choicest shows from the existing Colors content library from fiction, non-fiction and reality shows to live events, blockbuster films, and lifestyle programmes. Top shows on the channel include 'Balika Vadhu', 'Meri Aashiqui Tum Se Hi' and 'Swaragini'.



MTV India

MTV is an iconic youth brand that is irreverent, fun, innovative, passionate, optimistic, encouraging and inclusive. It was the No. 1 youth channel for the year²². The channel had several successful shows during the year such as 'Love School' (which became No. 1 within a month of launch²³), 'Splitsvilla', 'Kaisi Yeh Yaariyan' and 'Warrior High'. The channel owns a highly successful original IP 'MTV Roadies' which was launched in 2004 and has its 13th season ongoing. FLYP@MTV, World's 1st MTV themed café, was launched in Delhi in December 2015. The café has several distinctive features such as an exclusive menu curated by celebrity chef Ranveer Brar, Talent

Record Rooms, Shower Rooms/Lockers and live performances. MTV was No. 1 in social media buzz in 10 out of 12 months in FY16 in the youth genre²⁴.

Music/ Miscellaneous



MTV Indies

MTV Indies is the world's largest platform for independent subcultures and has been built in collaboration with a collective of artists and supporters of the independent music scene. Led by music, MTV Indies also reflects other subcultures such as independent films, art, comedy and more, thereby taking these alternative art forms into the homes of millions. Tapping into this pulsating, dynamic and fresh subculture, MTV Indies is designed to bring together the potential of Indian youth. MTV Indies is an 'always on' platform available across TV, mobile, web and live events.

¹⁵ Source: #1 for 6 weeks during weeks 41, 2015 to 13, 2016, BARC, TG: 4+, All NCCS, Market: HSM; Time Period: All days, 0200-2559 hrs

¹⁶ Source: BARC, TG: 4+, All NCCS, Market: HSM; Time Period: All days, 0200-2559 hrs, Weeks 41, 2015 to 13, 2016 Denotes Gross Viewership in millions (GVMs), Weeks 44, 2015 to 13, 2016

¹⁷ Source: Denotes Gross Viewership in millions (GVMs), Weeks 44, 2015 to 13, 2016

¹⁸ Source: Simplify360 Social media analytics; Rank among genre channels; Total Buzz = FB Buzz + Twitter Buzz + other social media buzz (incl. Google +, YouTube, etc.) across all properties; FB Buzz = Comments and posts across all properties on FB; Twitter Buzz = Total # of mentions across all keywords (channel/show/character, etc.) including retweets; Buzz includes shows and characters

¹⁹ Source: Week 41, 2015 to Week 13, 2016, BARC, TG: 4+, All NCCS, Market: HSM; Time Period: All days, 0200-2559

²⁰ Source: BARC, TG: 4+, All NCCS, Market: HSM; Time Period: All days, 0200-2559 hrs, Weeks 41, 2015 to 13, 2016

²¹ Source: BARC, TG: 4+, All NCCS, Market: HSM; Time Period: All days, 0200-2559 hrs, Weeks 41, 2015 to 13, 2016

²² Source: BARC, TG: 15-21, NCCS ALL, Market: All India; Time Period: All days, 0200-2559 hrs; Out of Youth focused channels: MTV, Channel V, Bindass, Zing and Zoom

²³ Source: BARC, TG: 15-21, NCCS ALL, Market: All India; Time Period: All days, 0200-2559 hrs; Out of MTV, Channel V, Bindass, Zing and Zoom

²⁴ Source: Simplify360 Social media analytics; Rank among genre channels; Total Buzz = FB Buzz + Twitter Buzz + other social media buzz (incl. Google +, YouTube, etc.) across all properties; FB Buzz = Comments and posts across all properties on FB; Twitter Buzz = Total # of mentions across all keywords (channel/show/character, etc.) including retweets; Buzz includes shows and characters

English Entertainment



Vh1

Vh1 provides viewers with their daily dose of International music, Hollywood, pop culture and lifestyle. Since its inception in January 2005, Vh1 has grown tremendously. The channel ranked No. 1 in the genre in FY16²⁵. Vh1 has been committed to bringing to Indian audiences the best of International music genres such as EDM, punk, rock, reggae, hip hop, pop, jazz, etc. and world awards such as the Grammy Awards, Brit Awards, Golden Globe Awards and Europe Music Awards. Vh1 also airs the biggest talent hunts from across the world such as 'Britain's Got Talent', 'Asia's Got Talent', 'American Idol' and 'X Factor UK'. The channel upgraded its feed to HD this year.



Comedy Central

Comedy Central was launched in 2012 and is India's first 24-hour English language comedy channel. With shows such as 'Suits', 'Wipeout' and 'Impractical Jokers', the channel continued to capture viewers' mindscape through the year. Its marquee shows such as 'Friends' are popular across generations. It finished FY16 ranked No. 1 (in March, 2016²⁶) and ranked No. 2 for the full year²⁷. The channel upgraded its feed to HD this year.



Colors Infinity

Colors Infinity was launched in July 2015 and redefined English entertainment genre in India introducing several distinctive features:

- Essential viewing – 3 episodes aired back-to-back for today's viewers who are used to binge watching
- Instant Premieres – screening episodes a few hours after they air internationally



- Co-curated by youth icons Alia Bhatt and Karan Johar
- A slate of innovative original programming, including the first original English singing talent show in India called 'The Stage'

Colors Infinity had a strong programming line-up with shows such as 'My Kitchen Rules', ' Fargo', 'Better Call Saul', 'Shark Tank' and 'Orange Is the New Black'.

Kids Entertainment



Nickelodeon

Nickelodeon is the No. 1 channel in the Kids category for the year²⁸. The channel where 'Funny Rules' hosts an array of kids' favourite shows such as 'Motu Patlu', 'Ninja Hattori' and 'Shiva'. The home-grown show – 'Shiva' topped the charts in the category within just two weeks of its launch in November 2015. The show has remained one of the leading shows in the category ever since. Nickelodeon has been able to connect with kids by establishing its characters through touch points beyond TV. Nickelodeon also engaged with kids through the year by way

of campaigns such as 'Motu Patlu Hero Hunt', 'Party Hard with Motu Patlu' and 'Nickelodeon Lift your Gift'. 'Together for Good' was another campaign that engaged and empowered kids to do their bit to keep their surroundings clean. Nickelodeon School Contact Program reached out to 150 schools across multiple cities in the country. The channel's website, Nickindia.com receives close to 1.2 million average page views in a month. The website hosts 196 games and 173 videos that engage kids through various interactivities through the year. The Nickindia community on Facebook has over 1.2 million fans²⁹.

²⁵ Source: BARC, TG: 15-40, NCCS AB, Market: 6 Mega Cities; Time Period: All days, 0200-2559 hrs, Weeks 41, 2015 to 13, 2016

²⁶ Source: BARC, TG: 15-40, NCCS AB, Market: 6 Mega Cities; Time Period: All days, 0200-2559 hrs, Weeks 9, 2016 to 13, 2016

²⁷ Source: BARC, TG: 15-40, NCCS AB, Market: 6 Mega Cities; Time Period: All days, 0200-2559 hrs, Weeks 41, 2016 to 13, 2016

²⁸ Source: BARC: 4-14, All India, NCCS ABC (0700-2200 hrs) for weeks 41, 2015 to 13, 2016 (period for which BARC individual ratings are available)

²⁹ Source : Simplify360 Social media analytics – Facebook page



Sonic

Sonic serves the right combination of action and comedy. The channel reaches more than 10 million kids every week³⁰. Sonic maintained its lead over its closest competitor Disney XD with compelling shows such as ‘Pakdam Pakdai’, ‘Supa Strikas’, ‘Idaten Jump’ and ‘Power Rangers’. It has a highly engaging and interactive online community through www.sonicgang.com, and 2.12 lakh fans on Facebook. The website boasts over 130 games and 141 videos that kids can engage with. The website has fun engagements such as ‘Pose like Oggy’, ‘Sonic Holi Rang Panch’ and ‘Pakdam Pakdai Halloween Quiz’. Sonic consistently engages with kids through campaigns such as ‘Selfie Khecho Prizes Jeeto contest’, ‘Jo Dekhega Woh Jeetega’, ‘Oggy and Doggy ki Double Masti’, etc.



Nick Jr. / Teen Nick

Nick Jr. is ‘the smart place to play’ that believes in ‘education’ and ‘entertainment’ going hand-in-hand and is aimed at young parents and pre-schoolers. The channel reaches out to over 3 million kids every week³¹. The channel strengthened its

audience engagement through on-ground and tactical activations. Its internationally acclaimed shows such as ‘Dora the Explorer’, ‘Bubble Guppies’, ‘Go Diego Go’ foster motor memory, maths and language development in a child and have emerged as an integral part of every pre-schooler’s life. The channel also caters to teenagers in the latter half of the day with the Teen Nick block which showcases international sitcoms such as ‘Supa Ninjas’, ‘Teenage Mutant Ninja Turtles’ and ‘Penguins of Madagascar’.



Nick HD+

Nick HD+, the 1st Kids HD entertainment channel was launched in December 2015. It showcases top shows in high definition airing select content from Nick, Sonic and Nick Jr. with some exclusive content from Viacom. It showcases a wide array of content from the local chart-busters such as ‘Motu Patlu’ and ‘Pakdam Pakdai’ to the evergreen favourites such as ‘Ninja Hattori’ to international heavyweights such as ‘Shaun the Sheep’, ‘Dora the Explorer’, ‘SpongeBob Square Pants’ and ‘Power Rangers’. Additionally, there are shows telecast exclusively on Nick HD+ such as ‘Big Time Rush’, ‘Marvin Marvin’, ‘Kung Fu Panda’ and ‘Zack and Quack’.

Regional Entertainment

In 2015, Viacom18 rebranded its original GECs acquired from ETV in 5 languages. This rebranding came under the Colors umbrella, which was done to improve monetisation from the whole array of channels across platforms. This move by Colors was also done keeping in mind the increasing intensity of competition.



Colors Kannada

Colors Kannada is ranked the No.1 Kannada GEC every week in FY 2015-16³². The

channel is a leader in both fiction and non-fiction genres³³. It differentiates itself on the basis of a strong programming mix and pushes the boundary on non-fiction programming by running renowned formats. Top shows include ‘Agnisaakshi’, ‘Putta Gowri Maduve’, ‘Lakshmi Baaramma’ and ‘Kulvadhu’ in fiction and ‘Super Minute’, ‘Dancing Star’ and ‘Maja Talkies’ in non-fiction. Colors Kannada was No. 1 in social media buzz for every month in FY16³⁴.



Colors Bangla

Colors Bangla matches the distinctiveness of the rich Bangla culture with qualitative and contemporary programming. The fiction programming focus is strongly on family dramas and love stories. In non-fiction, the channel dovetails hard-hitting innovative original IPs with strong international formats. Signature shows in FY 2015-16 included ‘Maa Durga’ (a mythological show on Goddess Durga) and ‘Abbulish’ (a fun-based celebrity game show).



Colors Marathi

Colors Marathi is a family entertainment channel that mirrors the cultural ethos and spirit of Maharashtra through a range of unique differentiated content created to enhance the

³⁰ Source: BARC: 4-14, All India, NCCS ABC (0700-2200 hrs) for week 13, 2016

³¹ Source: BARC: 4-14, All India, NCCS ABC (0700-2200 hrs) for week 13, 2016

³² Source: BARC, TG: 4+, All NCCS, Market: Karnataka; Time Period: All days, 0200-2559 hrs, Weeks 41, 2015 to 13, 2016

³³ Source: BARC, TG: 4+, All NCCS, Market: Karnataka; Time Period: All days, 0200-2559 hrs, Weeks 41, 2015 to 13, 2016

³⁴ Source: Simplify360 Social media analytics; Rank among genre channels; Total Buzz = FB Buzz + Twitter Buzz + other social media buzz (incl. Google +, YouTube, etc.) across all properties; FB Buzz = Comments and posts across all properties on FB; Twitter Buzz = Total # of mentions across all keywords (channel/show/character, etc.) including retweets; Buzz includes shows and characters

family viewing experience. Colors Marathi is a strong No. 2 channel in its genre³⁵. Its flagship shows such as 'Kamala' (based on Vijay Tendulkar's play on female exploitation), 'Ganpati Bappa Morya' and 'Mejwani Kitchen Queen 2016', etc. has strong traction with the people of Maharashtra. The channel also aired IMFFA (International Marathi Film Festival Awards), one of the biggest Marathi movie awards event (held on a cruise ship) and the Mirchi Music Awards.



Colors Gujarati

Colors Gujarati is the only Gujarati general entertainment channel that reflects tastes distinctive to the Gujarati community. It echoes the traditions of Gujarat through its innovative and differentiated content. With quality content offering such as 'Suri' and 'Food Thi Gujarat', Colors Gujarati has successfully made inroads and continued to enthral audiences.



Colors Oriya

Colors Oriya is Odisha's first native language mass entertainment channel. Enthraling audiences while reverberating with the rich cultural tradition of the Oriya people, the channel proves its mettle with quality programming, presentation and widespread reach.

Factual Entertainment



History TV18

History TV18 ended the year on a high, dominating the factual entertainment genre with maximum viewership of 4,106 GTVTS, ahead of Discovery at 3,762 GTVTS and National Geographic Channel (NGC) at 2,987 GTVTS³⁶.

FY 2015-16 witnessed the launch of one of the channel's biggest local productions so far – 'OMG! Yeh Mera India'. Presented by celebrity host Krushna Abhishek, the show took viewers on an exciting journey of amazing facts and people in India. It was supported by a 360 degree marketing push that spread across TV, radio, outdoor, trade, digital and social media, creating a lot of buzz across the board. Since its launch, 'OMG! Yeh Mera India' has been breaking records. One of the most well received short format videos on History TV18's Facebook page, it received more than 18 million impressions and 1,52,000+ shares.

The channel also dominated on social media, leading with the maximum number of followers on Twitter (2,52,000) vis-à-vis NGC (21,000) and Discovery (14,000). Holding true to the belief that the future belongs to content which is platform agnostic, the History TV18 app crossed half a million downloads and captivated viewer interest through exciting new features like Video on Demand, live-streaming and interactive notifications.

'Making History' was not just restricted to television and digital media. In its fifth year, History TV18's path-breaking partnership with CBSE for its annual 'Heritage India Quiz' saw participation of students from more than 1,500 schools in 42 quizzes across the length and breadth of the country. Besides providing for great content, the initiative helped increase brand saliency among students, seen as an important constituency among viewers in the genre.

Filmed Entertainment



Viacom18 Motion Pictures

Viacom18 Motion Pictures has been credited with shaping the new Indian film industry through differentiated and concept-driven cinema. The studio has emerged as a force to reckon with by delivering a series of

HISTORY TV18 ENDED THE YEAR ON A HIGH, DOMINATING THE FACTUAL ENTERTAINMENT GENRE WITH MAXIMUM VIEWERSHIP OF 4,106 GTVTS, AHEAD OF DISCOVERY AT 3,762 GTVTS AND NGC AT 2,987 GTVTS

critically and commercially successful films such as 'Margarita with a Straw', 'Manjhi – The Mountain Man', 'Drishyam' and 'Pyaar Ka Punchnama 2'. During the year, it won multiple accolades including the Stardust 'Editor's Choice Award' for 'Margarita with a Straw' and Big Star Entertainment's 'Most Entertaining Action Film Award' for 'Gabbar is Back'. The studio expanded into regional production with 'Black' (Bengali) and 'Poshter Girl' (Marathi). The studio distributed in India a stellar line-up of Paramount films such as 'Terminator: Genisys', 'Mission Impossible: Rogue Nation' and 'Paranormal Activity 5'.

Content Asset Monetisation



IndiaCast

IndiaCast manages content monetisation for TV18, Viacom18 and other broadcasters with three clear mandates.

Domestic: IndiaCast manages domestic distribution of the channels from Viacom18, TV18, and other broadcaster across various platforms such as cable (digital and analog), DTH, HITS and IPTV. It also ensures best-in-class availability and reach of all channels by strategically managing key aspects of carriage and placement.

³⁵ BARC, TG: 4+, All NCCS, Market: Maharashtra/ Goa; Time Period: All days, 0200-2559 hrs, Weeks 41, 2015 to 13, 2016

³⁶ Source: BARC, Week 12-13, 6 Megacities, NCCS AB 15+, All India, All Days, Avg Weekly GTVTS

International: IndiaCast monetises content/ programmes for TV18, Viacom18 and other broadcasters, across territories and platforms. IndiaCast reaches the Indian diaspora spanning 87 countries with its premier offering – Colors channel. With a rich content library of 16,000 hours across genres, IndiaCast syndicates content from the group in more than 140 countries in over 25 languages (including Hebrew, Russian, Serbian, Bosnian, Albanian, Macedonian, Kazakh, Swahili, Spanish, and English among others).

Digital: IndiaCast also manages digital initiatives of the group and also both linear and non-linear channel distribution and distributes channels to online sites, OTT platforms, and value added services (VAS) players for mobile consumption.

Digital Content

Network18's digital content and commerce segment includes a diversified portfolio of brands catering to a wide range of interests and services, including news and entertainment, markets and finance, online shopping and ticketing, and mobile phone services and applications. Its digital content and commerce segment encompasses

- the content business that spans websites and mobile applications covering general and business news, entertainment, technology and sports
- the e-commerce marketplace and properties businesses that include online shopping and ticketing
- Network18's digital sites attracted more than 27 million unique visitors and continue to be leaders in several segments

moneycontrol.com

INDIA'S NO.1 FINANCIAL PORTAL

Moneycontrol.com

Moneycontrol continues to be the leader in the finance category across all parameters on the web and mobile. This year multiple new initiatives were taken on the web and mobile front, including the launch of new android and iOS apps, broker research section and addition of NCDEX prices. Following the launch of the new app, engagement improved 32% and the site recorded close to 1 billion page views/month³⁷.

FIRSTPOST.

Firstpost.com

Into its sixth year of operations, Firstpost.com, India's first digital-only newsroom, continues to be the biggest in its genre and growing. It consolidated its position as the go-to place for informed breaking opinion as demonstrated by the best-in-industry average time spent of 10 minutes and 34 seconds. The average pages visited per session grew by 2.28% to 2.93% page/session, while the bounce rate reduced to 66.38%, a testimony to the stickiness of the content on Firstpost. Firstpost's website gained 6.9 million³⁷ average unique visitors per month and 35 million³⁷ average monthly page views.

Firstpost's mobile site gained 5.9 million³⁷ average unique visitors per month along with 24 million³⁷ average monthly page views. On the social media front, Firstpost.com saw robust growth by having more than one million followers on Twitter and its Facebook likes stood at 6.8 lakhs. It was one of the first publications to go on the Google AMP platform. Quick adaptation to FacebookLive, Instant Articles and making our content available across a host of aggregator apps are some of the steps initiated to go where the market is.

With video consumption emerging as a big trend in online content consumption, Firstpost has added a scalable multi-media capability for producing quality video content. The coming year will see a slew of initiatives to strengthen existing verticals such as F.Cricket, Tech2 and Faking News and launch new products across languages and demographics.

INTO ITS SIXTH YEAR OF OPERATIONS, FIRSTPOST, INDIA'S FIRST DIGITAL-ONLY NEWSROOM, CONTINUES TO BE THE BIGGEST IN ITS GENRE AND GROWING.

News 18.com

News18.com (Formerly ibnlive.com)

News18 is amongst the top five most visited English news websites in India. It underwent a major transformation in 2016 and migrated to a new domain to reinforce the vision of the digital-first strategy. As part of this initiative, the website has been revamped and given a fresh look. To complement the digital first strategy, the mobile app has been given a new avatar and introduced innovative features to bring the entire news ecosystem to one common place. Good viewership amongst Cricket fans was witnessed during the T20 World Cup where the Facebook chat feature was introduced. With Facebook instant articles and Google accelerated mobile pages, readers have the best reading experience across different devices.

PRADESH 18

Pradesh18.com (formerly News18.com)

A one-of-its-kind digital destination for regional content in multiple languages, Pradesh18 is in build phase. Formerly News18, towards the end of the year, the site was revamped and renamed to Pradesh18, which communicates regional content. The website has been given a fresh look, a cleaner interface and responsive design. The mobile app has been completely revived and several interesting features like choice of languages, personalisation of news, favourite categories to follow and customisation of notifications have been introduced.

³⁷ Google Analytics



In.com

Network18's aggregator platform, showcasing its content strength, provides a good window to all digital content of Network18.

BURRP !

Burpp

Burpp is a food and restaurant search and recommendation engine. Burpp was the pioneer in the Indian food discovery space by introducing consumer technology in the F&B segment in 2006. Burpp is currently present in 12 Indian cities and lists more than 60,000 places to eat. In an industry that has seen many shakeups across the last decade, Burpp has stood the test of time, and grown from strength-to-strength. Burpp has contributed to many innovations in the food-tech industry and has constantly disrupted the food-tech ecosystem in the country. Burpp also leads the market in New Years' Eve party listings, and gave users the ability to book tickets last year as a pilot to test the transaction model on Burpp. Burpp now allows users to reserve tables and book dining experiences as well on the platform via technology integrations with other players in the space. Burpp aims to get into ticketing and transactions in the F&B space on a larger scale with a view of being the largest food-tech player in the country again. Like always, Burpp is gunning not just for the vacant spaces in the market, it's also looking to do what it's best at – creating new spaces in the existing market!



VOOT

VOOT was launched in March 2016 as Viacom18's exclusive digital video destination. Keeping with the ethos of programming strategy to cater to viewers across geographies and demographics, VOOT has been designed to have content from the network and exclusive content around reality

shows. It will also have the largest repository of Kids content in India and the largest number of original shows, at launch, for any Indian OTT service.

E-commerce Marketplace & Properties



HomeShop18

HomeShop18 now has a cumulative customer base of over 17.9 million on TV and web across 1,662 cities and towns across the country. It delivers to 9,563 pin codes in India, 17% of them in Tier II and III towns. The reach in smaller towns has increased with the addition of a Hindi channel to the DD Direct bouquet of FTA channels. HomeShop18's success is further demonstrated by the fact that 31,500 transactions take place daily, of which 58% are from repeat customers, and its call centre receives about 1,40,000 calls daily. HomeShop18 has been acclaimed as the 'Trendsetter in Shopping Channels' at the 7th BCS Ratna Awards in March 2016.

bookmyshow

Bookmyshow.com

As of March 31, 2016, bookmyshow.com recorded an average of 71 million visits per month. BookMyShow sold an average of over 7.8 million tickets per month on its portal and its mobile application during FY16, clocking an impressive growth of 82% over the previous year. During the financial year, BookMyShow launched its own wallet to enhance customer experience. BookMyShow was the sole ticketing partner for the ICC T20 World Cup 2016. It also manages ticketing as well as on-ground operations for six out of eight IPL teams.

Print/Publication Business

Network18 has a range of popular publications that include 'Forbes India', 'Overdrive', 'Better Photography' and 'Better Interiors'. These publications offer varied content across different genres, reaching out to wide target audiences.



Forbes

Forbes India

Forbes India is amongst the most prestigious business publications in the country today. This year the team also launched 'The Super 50' (the best Indian public companies) and 'The Southern Giants' (the best businessmen from South India

'CEO Dialogues', a Forbes India signature event, was one of the biggest talking points in the Indian business industry, bringing together almost 60 CEOs from across the country to discuss challenges and opportunities of different business sectors.

Forbes India Entrepreneurship Summit saw 23 of the finest entrepreneurs in the country today who came together on a platform to discuss the life cycle of an entrepreneur. Forbes India's flagship property, Forbes India Leadership Awards honoured transformational leaders of today who are spearheading some of the most illustrious business organisations in the country. Finally, Forbes India 30 under 30 celebrated young achievers from different walks of life who have taken the road less traveled.



OVERDRIVE

Overdrive

Overdrive through its unique concept of 'Live Life in Overdrive' has further boosted its engagement amongst its readers through various events. In December, Overdrive launched its app on Google Play Store and iOS and some 10,000 readers have downloaded it. Overdrive also successfully organised the 16th edition of the coveted CNBC Overdrive Awards and Automotive Dealership Excellence Awards in December 2015 and February 2016 respectively. Overdrive's social presence spans 8.15+ lakh likes on Facebook, over 33,000 Twitter followers, with over 1 lakh YouTube channel subscribers to date.

Better Photography

Better Photography

Better Photography organised the 7th edition of the most renowned 'Wedding Photographer of the Year' awards. This year, in association



with Mercedes Benz India, Better Photography conducted a unique contest viz 'Frame the Star' for photo and auto enthusiasts. Over 10,000+ quality images were generated during the contest, which were later exhibited at each Mercedes Benz showroom. Better Photography has garnered more than 2.49 lakh likes on Facebook.

better interiors

Better Interiors

Better Interiors enjoys the respect of and shares a good rapport with leading industry firms, architects, designers, and has a roster spanning renowned clients like Godrej & Boyce, H & R Johnson, Hafele, Nitco, Pidilite, Whirlpool and Royale Touche. To celebrate the 'Better Interiors - Kitchen Special Edition', it hosted a small gathering for architects and interior designers at (B/S/H) Siemens appliance experience centre.



Content Creation and Production



Colosceum

During the year, Colosceum has produced several popular TV shows across fiction and non-fiction categories. In the non-fiction category these included India's first love reality series on Hindi GEC 'Power Couple', iconic youth reality TV shows 'Roadies' presented in a new format, 'Splitsvilla' and a regional show 'Nam Deshad Kathe'. Under the fiction category, Colosceum created popular Hindi shows 'Dahleez' and youth show 'Twistwala Love' and 'Secret Diaries'. Colosceum has now produced over 2,200 hours of regional, national and international programming across media.

Awards and Recognitions (During 2015)

Network18 continued to win accolades across categories for its exemplary offerings during the year. Following is a list of awards received by Network18 during FY 2015-16.

| Award | Category | Winner |
|--|--|---|
| CNBC-TV18 | | |
| BARC Business News Channel of the Year 2015 | Business News | CNBC-TV18 |
| Exchange4media News Broadcasting Awards | Best Continuing Coverage by a Reporter for What's Ailing Rural India | Archana Shukla |
| The Ramnath Goenka Excellence in Journalism Awards | Reporting on Politics and Government | Marya Shakil |
| CNN-News18 | | |
| The Ramnath Goenka Excellence in Journalism Awards | On-the-spot Reporting | Karma Paljor |
| The Ramnath Goenka Excellence in Journalism Awards | Reporting on Politics and Government | Deepa Balakrishnan |
| Exchange4media News Broadcasting Awards/ Indian News Broadcasting Awards (Enba/ Inba Awards) | Best Spot News Reporting - English | Prabhakar Kumar - Nepal Earthquake Coverage |
| Exchange4media News Broadcasting Awards/Indian News Broadcasting Awards (Enba/ Inba Awards) | Best News Coverage: International (English) | The Himalayan Tragedy |
| Exchange4media News Broadcasting Awards/Indian News Broadcasting Awards (Enba/ Inba Awards) | Best In-depth Series (English) | Reporters Project |
| Exchange4media News Broadcasting Awards/Indian News Broadcasting Awards (Enba/ Inba Awards) | Best Business Programme (English) | The GST Classroom |
| IBN7 | | |
| Exchange4media News Broadcasting Awards | Best News Coverage - National-Hindi | Operations 30 seconds, an investigative report on Railway's Tatkal Scam |
| Exchange4media News Broadcasting Awards | Best Continuing Coverage by a Reporter - Hindi for Bihar Maange More | Prateek Trivedi |
| Abby - Bronze | Best News Channel Promo | IBN7-Hausla Hai campaign |
| IBN-Lokmat | | |
| Ramnath Goenka Awards | Excellence in Journalism | Vinayak Gaikwad |
| Ramnath Goenka Awards | Excellence in Journalism | Pravin Mudholkar |
| Viacom18 | | |
| TOIFA | Best Actress (Critics) | Kalki Koechlin for Margarita With a Straw |
| The Screen Awards | Best Actor Jury Awards (Female) | Kalki Koechlin for Margarita With a Straw |
| Stardust Awards | Editor's Choice Film of the Year | Margarita With a Straw |
| Big Star Entertainment Awards | Most Entertaining Action Film | Gabbar is Back |
| ZETC Business Awards | Best Marketed Film of the Year | Gabbar is Back |
| Exchange4media: Indian Marketing Awards | Bronze - Brand Activation Category | Gabbar is Back |
| Exchange4media: Indian Marketing Awards | Bronze - Cause Related Marketing category | Manjhi - The Mountain Man |
| Exchange4media: Indian Marketing Awards | Gold - Marketing Communication category | Manjhi - The Mountain Man |
| IPRCC | Best use of PR by a Brand Award | Manjhi - The Mountain Man |
| IPRCC | Integrated Campaign Award | Manjhi - The Mountain Man |

| Award | Category | Winner |
|-----------------------------|---|------------------------------|
| IPRCC | Product and Promotion in Entertainment, education, sports and lifestyle sector | Manjhi - The Mountain Man |
| MWAS | Silver - Product and Promotion in Entertainment, education, sports and lifestyle sector | Margarita With a Straw |
| MWAS | Bronze - Integrated Campaign Award | Margarita With a Straw |
| Abbys | Digital Abbys | Ceat - MTV Chase the Monsoon |
| Abbys | Media Abbys | MTV Indies - Channel launch |
| Abbys | Integrated campaign led by PR | MTV Rock The Vote |
| Abbys | Best use of Content Creation | Durex MTV RexTalk |
| Abbys | Best use of Experiential | MTV Campus Diaries |
| Abbys | Best use of Experiential | MTV Rock The Vote |
| Appies Asia 2015 | Effective cause marketing | MTV Junkyard Project |
| Spikes Asia | Public Awareness | MTV Rock The Vote |
| Maddies | Best Campaign | MTV App |
| Maddies | Best cross media integration | Durex MTV RexTalk |
| Maddies | Best mobile applications | MTV Indies App |
| Maddies | Best Blogs | MTV India |
| Maddies | Best use of video | Durex MTV RexTalk |
| India Marketing Awards 2015 | Best Extension Launch | MTV Indies - Channel launch |
| Promax Asia 2015 | Best Script | MTV App Film |
| Promax Asia 2015 | Best Script | Durex MTV RexTalk |
| Promax Asia 2016 | Best Interstitial | MTV App Film |
| Promax Asia 2017 | Best Interactive Promo | Durex MTV RexTalk |
| Promax Asia 2018 | Funniest Spot | MTV App Film |
| Promax Asia 2019 | Best Sponsor integration | Durex MTV RexTalk |
| Promax Asia 2020 | Best Print Ad | MTV Indies Ribbit |
| Promax Asia 2021 | Best Print Campaign | MTV Indies Ribbit |
| CEF | Events and promotions - Creativity | MTV Campus Diaries |
| CEF | Events and promotions - Creativity | MTV Junkyard Project |
| CEF | Events and Promotion - Cause marketing | MTV Junkyard Project |
| CEF | BTL Activities - Innovation | MTV Junkyard Project |
| CEF | Television - Creativity | MTV Indies - Channel launch |
| CEF | Television - Innovation | MTV Indies - Channel launch |
| CEF | BTL Activities - Innovation | MTV Campus Diaries |
| Prime Time | Best Extension Launch | MTV Indies - Channel launch |
| CMO Asia | Most Admired Youth Brand | MTV India |
| DMAi | Marketing Innovation in Social | MTV Junkyard Project |

Corporate Social Responsibility

At Network18, Corporate Social Responsibility (CSR) is embedded in the long-term business strategy of the Company. The Company's CSR initiatives help elevate the quality of life of millions, especially the disadvantaged sections of the society. For Network18, business priorities

co-exist with social commitments to drive development of people and communities. It seeks to touch and transform people's lives by promoting healthcare, education and employment opportunities. Network18 aims to continue its efforts to build on its tradition of social responsibility to empower people and deepen its social engagements.

Financial Performance

Standalone Performance

(₹ in crores)

| Particulars | 2015-16 | 2014-15 | Growth in 2015 over 2014 |
|--------------------------------------|---------------|----------------|--------------------------|
| Revenue from operations | 67.3 | 74.3 | -9% |
| Operating Expenses | 108.6 | 92.5 | 17% |
| Operation Loss | (41.3) | (18.2) | |
| Other Income | 9.0 | 12.4 | -27% |
| EBITDA | (32.3) | (5.8) | |
| Depreciation | 5.8 | 4.5 | 29% |
| Finance Cost | 52.8 | 57.5 | -8% |
| Loss before exceptional items | (90.9) | (67.8) | |
| Exceptional expense items | - | (619.7) | |
| Loss before tax | (90.9) | (687.5) | |

- Revenue from operations was lower than the previous year mainly due to discontinuance of 13 magazines and the events business. This also resulted in reduction in operating expenses
- Operating loss increased by ₹ 23.1 crores from a loss of ₹ 18.2 crores in FY15 to ₹ 41.3 crores in FY16

- Other income in FY16 was lower than previous year by ₹ 3.4 crores mainly due to reduction in interest and dividend income and business support services
- Finance cost decreased from ₹ 57.5 crores to ₹ 52.8 crores due to refinancing of high cost debts and borrowing by issuing commercial papers

Consolidated Performance

(₹ in crores)

| Particulars | 2015-16 | 2014-15 | Growth in 2015 over 2014 |
|---|--------------|------------------|--------------------------|
| Revenue from operations | 3,403.3 | 3,126.6 | 9% |
| Operating Expenses | 3,223.8 | 2,973.6 | 8% |
| Operation Profit | 179.5 | 153.0 | 17% |
| Other Income | 91.7 | 64.8 | 41% |
| EBITDA | 271.2 | 217.8 | 25% |
| Depreciation | 89.7 | 75.2 | 19% |
| Finance Cost | 95.1 | 113.2 | -16% |
| Profit before exceptional and prior period items | 86.4 | 29.4 | 194% |
| Exceptional and prior period expense items | - | (1,119.5) | |
| Profit/(Loss) before tax | 86.4 | (1,090.1) | |

- Network18 consolidated revenues for FY16 stood at ₹ 3,403.3 crores, growing by 9% over the previous year
- Operating profits grew by 17% to ₹ 179.5 crores in FY16 from ₹ 153.0 crores in FY15
- Finance cost reduced from ₹ 113.2 crores in FY15 to ₹ 95.1 crores, due to refinancing of high cost debts and borrowing by issuing commercial papers
- Profit Before Tax (before exceptional and prior period items) increased from ₹ 29.4 crores in FY15 to ₹ 86.4 crores in FY16 by 194%

Human Resource Development

In an era where the quality of talent is key business differentiator, Network18 group knows the importance of its single largest asset – its human capital. The group is committed to attract, develop and retain top talent across the gamut of editorial, sales, technology and all other enabling functions. Its focus to further strengthen entry level talent has resulted in collaboration with top journalism and general management institutions. Importance is laid on channelising the energies of the workforce through focused goal-setting carried across functions. Lakshya, the online Performance Management System provides an objective forum to assess employee performance. Managers are encouraged to have candid conversations in a conducive environment and support the development of their teams. Employees are provided multiple learning and development opportunities to bridge the skill-competency gap required to perform in their current roles and identified by their managers. An array of Rewards and Recognition initiatives such as spot awards, long service awards, etc. provide a platform to recognise and celebrate employee achievements. The Company

understands the need to build a more cohesive work and has an annual calendar of employee engagement initiatives which range from celebrating key festivals to corporate quizzes. There is emphasis on e-HR and various online systems have been made available to make the processes more user-friendly for employees. In FY17, the Company is going to focus on formalising the organisation structure in line with the vision and growth strategy. There shall be further impetus on HR automation through introduction of SAP. Besides furthering employee engagement across the organisation, identification and development of future leaders is also going to be key focus areas. As on March 31, 2016, Network18 had 503 employees on its rolls.

Risk Management

Network18 maintains a robust system of internal controls, commensurate with the size and complexity of its business operations. The system provides, inter alia, a reasonable assurance of protection against any probable loss of the Company's assets as a result of misuse by those who are in a position to influence the working of business verticals of the organisation. It ensures that the transactions of its business operation are recorded in all respects in a fair and transparent manner. The Company has an external and independent firm of Internal Auditors which scrutinises its financials and other operations. The Internal Auditors report their findings directly to the Audit Committee. These are then forwarded to concerned departments/ business verticals for taking corrective measures. Internal audit also ensures that applicable laws are complied with in true spirit.

Key risks

The Company faces a series of risks in its operations, including:

Digitisation Regime

Timely implementation of the government's phased digitisation regime is critical to the long-term growth of the television industry. With the completion of the process of seeding of set-top boxes for Phases I and II, the challenge now is to boost last mile billing and packaging, which will help multi-system operators (MSOs) increase the average revenue per user (ARPU) and also benefit the broadcasters. In this scenario, channels with weak content could stand to lose out on account of poor consumer demand.

Regulatory Environment

The Indian broadcast industry is heavily regulated across a multitude of areas including distribution, taxation, etc. Any policy changes can have a material impact on the economic and strategic direction of the industry and may restrict the Company's ability to do business.

Competitive Forces

The emergence of platforms such as the internet, mobile and radio is causing a partial shift of advertising revenue away from television. With their greater local connect and more measurable reach index, such media are drawing considerable advertising proportion from sectors such as FMCG and BFSI.

Advertising Revenue

Advertising being a major source of revenue generation, any decline in advertising revenue could adversely impact the Company's revenue and operating results. Network18's primary revenue generation

is linked with the sale of advertisements through television channels, which is dependent on the overall macroeconomic and industry conditions, market trends, public policy and government regulation, viewership, budgets of advertisers, among other factors. TV advertisement sales are also threatened by abrupt termination of contracts by advertisers, limits on advertising time, advertising shift to new media formats such as digital, etc.

Third-Party Relations/JV/Partnerships

Network18 has relationships and JVs with external partners, whose long-term continuation it cannot assure. Sudden termination or deterioration of these relationships may materially and adversely affect Network18 operations and financial condition. The success of any future JVs and strategic relationships with third parties is also not assured, as every relationship comes with its own set of risks, including failure to recover investments made in such initiatives.

Brand Recognition and Popularity

Network18's brand strength is one of its biggest assets and its success depends upon the popularity and recognition of its brands, as well as its ability to deliver original and compelling content and services that attract and retain viewers. Failure to sustain the brands, or excessive expenditure incurred in doing so, could seriously impact Network18's business and financial operations.

Risk Mitigation Strategy

Network18 has an exciting portfolio of quality content and is continuously working on strengthening its content bouquet to reap the benefits of digitisation.

Cognisant of the importance of remaining abreast of the changes in the regulatory environment, Network18 is constantly evolving its operational strategy to align it with the transforming dynamics of the industry in the context of the policy changes. Strong risk mechanisms are in place to ensure continued high levels of operational efficiency and effectiveness in the changed environment.

The Company is also expanding its portfolio and focusing on other forms of revenue by expanding in the digital space. It is also strengthening its processes and systems to ensure cost effectiveness.

Network18 has in place a strong risk management system and stringent organisation policies, which its employees are required to adhere to at all times. This ensures that Network18's reputation remains protected and maintained, without in anyway being compromised under any circumstances.

Internal Control System

Network18 has well laid-out and exhaustive internal controls systems that are aligned to its business requirements. Network18 regularly monitors the risks and has in place focused risk mitigation strategies. Internal and external audit teams continuously

monitor the adequacy and effectiveness of the internal control environment across Network18 and the status of compliance with operating systems, internal policies and regulatory requirements. The Audit Committee meets periodically to review the adequacy and efficacy of the internal control systems.

Board's Report

Dear Members,

Your Directors are pleased to present the 21st Annual Report and the Company's audited financial statement for the financial year ended March 31, 2016.

Financial Results

The financial performance of the Company for the year ended March 31, 2016 is summarized below:

| Particulars | ₹ in Crores | |
|--|----------------|-----------------|
| | 2015-16 | 2014-15 |
| Revenue from operations | 67.30 | 74.32 |
| Operating loss | (41.31) | (18.24) |
| Profit/(loss) before exceptional items and prior period expenses | (90.96) | (67.82) |
| Exceptional items and prior period expenses - (expense)/income | - | (619.73) |
| Profit/(loss) before tax | (90.96) | (687.55) |

Results of operations and the State of Company's affairs

During the year under review, the Company recorded an operating turnover of ₹ 67.30 Crores (previous year ₹ 74.32 Crores). The consolidated revenue from operations was ₹ 3,403.31 Crores as against ₹ 3,126.57 Crores in previous year and Profit before tax, exceptional items and prior period expenses on a consolidated basis was ₹ 86.40 crore (previous year ₹ 29.41 crores).

Dividend

In view of the losses, the Board of Directors have not recommended any dividend for the year under review.

Management's Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

Deposits

The Company has discontinued accepting fresh Fixed Deposits or renewing any deposits w.e.f. April 1, 2014. The Company had repaid all the deposits and interest thereon. However, as on March 31, 2016, deposits and interest thereon aggregating to Rs 2.83 crores remained unclaimed.

Employees Stock Option Schemes

The Company has implemented the Employees' Stock Option Schemes in accordance with the applicable Regulations Prescribed by the Securities and Exchange Board of India (SEBI) and the resolutions passed by the Members of the Company. The Certificate(s) of the Statutory Auditors confirming the same shall be placed before the ensuing Annual General Meeting for inspection by the Members. During the year, there is no change in the Employees' Stock Option Schemes of the Company. The Nomination and Remuneration Committee of the Board of Directors of the Company, *inter alia*, administrators and monitors the Employees Stock Option Schemes.

The issue of equity shares pursuant to exercise of options does not affect the Statement of Profit and Loss of the Company, as the exercise is made at the market price prevailing as on the date of the grant plus applicable taxes.

Voting rights on the shares issued to employees under the Employees' Stock Option Schemes are either exercised by them directly or through their appointed proxy.

The applicable disclosures with regard to the Employees' Stock Option Schemes under the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 are disclosed on the website of the Company at www.network18online.com and also provided in the notes forming part of the Financial Statement for the financial year ended March 31, 2016.

Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI.

The detailed Corporate Governance Report of the Company in pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report of the Company. The requisite Certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Regulations is attached to the Corporate Governance Report.

Credit Rating

ICRA Limited – the Credit Rating Agency, a subsidiary of Moody's has assigned following Credit Ratings to the Company.

| Particulars | Ratings |
|--|-------------|
| Long Term Borrowing (Bank Loan/NCDs) of ₹ 500 Crores | [ICRA] AA+ |
| Long Term Fund based limits of ₹ 10 Crores | [ICRA] AA+ |
| Short Term Bank Facilities of ₹ 230 Crores | [ICRA] A1 + |
| Commercial Paper Programme aggregating to ₹ 500 Crores | [ICRA] A1 + |

Directors and Key Managerial Personnel

Mr. Prasoon Joshi was appointed as an Additional Director (Independent) w.e.f. January 15, 2016 for a term of five years and he shall hold office as Additional Director upto the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his candidature for appointment at the ensuing Annual General Meeting as Independent Director, not liable to retire by rotation.

During the year under review, Mr. Raghav Bahl resigned from the Directorship of the Company with effect from February 8, 2016, due to his preoccupations. The Board places on record appreciation for the valuable contribution made by him during his tenure.

Mr. Vinay Chand Chhajlani Non Executive Director of the Company, shall retire by rotation at the ensuing Annual General Meeting of the Company. However, being eligible, he has offered himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 read with Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following policies of the Company are annexed herewith and marked as **Annexure IA** and **Annexure IB** respectively:

- Policy for selection of Directors and determining Directors Independence; and
- Remuneration Policy for Directors, Key Managerial Personnel and other employees.

The Company has formulated a policy on performance evaluation of the Independent Directors, Board, and its Committees, Chairman of the Board and other individual Directors.

On the basis of policy for performance evaluation of the Independent Directors, Board, and its Committees, Chairman of the Board and other individual Directors, a process of performance evaluation was carried out.

Mr. A.P. Parigi ceased to be the Group Chief Executive Officer-Network18 and a Key Managerial Personnel of the Company w.e.f. September 30, 2015.

Subsidiaries / Joint Ventures / Associate Companies

The development in business operations/performance of the major subsidiaries/ Joint Ventures / Associate Companies, forms part of the Management's Discussion and Analysis Report.

During the year under review, Stargaze Entertainment Private Limited ceased to be Company's subsidiary. Further, during the year under review, Fantain Sports Private Limited, Spacebound Web Labs Private Limited and Big Tree Entertainment Singapore PTE Ltd have become subsidiaries of the Company. The performance and financial information of the Subsidiary Companies / Joint Ventures / Associate Companies is disclosed in the Consolidated Financial Statement.

Consolidated Financial Statement

In accordance with the provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Accounting Standard (AS)-21 on Consolidated Financial Statement read with AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

Number of Meetings of the Board

During the financial year ended on March 31, 2016, five Board Meetings were held. Further, details of the meetings of the Board and its Committee are given in Corporate Governance Report, forming part of the Annual Report.

Audit Committee

The Audit Committee of the Company comprises Mr. Adil Zainulbhai (Chairman), Mr. Deepak Shantilal Parekh, Mr. Dhruv Subodh Kaji, Independent Directors and Mr. Rohit Bansal, Non- Executive Director. All the recommendations made by the Audit Committee were accepted by the Board. During the year under review, five Audit Committee Meetings were held. Further, details of Meetings of the Audit Committee are given in Corporate Governance Report, forming part of the Annual Report.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable Accounting Standards read with the requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the loss of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts of the Company for the financial year ended March 31, 2016 on a 'going concern' basis;
- v) the Directors have laid down internal financial control to be followed by the Company and that such internal financial control are adequate and were operating effectively; and
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Risk Management

The Board of Directors of the Company is responsible for the direction and establishment of internal controls to mitigate material business risks. The Company has formulated and adopted a Risk Management Policy to identify the element of risk for achieving its business objective and to provide reasonable assurance that all the material risks will be mitigated.

Internal Financial Controls

The Company has adequate system of internal financial controls to safeguard and protect the Company from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company also checks and verifies the internal financial control systems and monitors them.

Corporate Social Responsibility

The Corporate Social Responsibility (CSR) Committee of the Company comprises Mr. Adil Zainulbhai (Chairman), Mr. Rajiv Krishan Luthra, Mr. Vinay Chand Chhajlani and Mr. Rohit Bansal. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of monitoring implementation of the objectives set out in the 'Corporate Social Responsibility Policy'.

The CSR policy of the Company is available on its website and may be accessed at the link: <http://www.network18online.com/reports/policies/Network18-Policy-on-Corporate-Social-Responsibility.pdf>.

In terms of CSR Policy of the Company, the focus areas of engagement are as under:

- Addressing identified needs of the unprivileged through improving livelihood, alleviating poverty, promoting education, empowerment through vocational skills and promoting health and well-being.
- Preserve, protect and promote art, culture and heritage
- Environmental sustainability, ecological balance and protection of flora and fauna.

The Company would also undertake other need based initiatives in compliance with Schedule VII of the Companies Act, 2013.

The Company has not yielded any profits during the previous three financial years, hence, in terms of Section 135 of the Companies Act, 2013, the Company was not required to spend any amount on CSR activities.

Vigil Mechanism

The Company promotes ethical behavior in all its business activities. Towards this end, the Company has adopted a policy on Vigil Mechanism and Whistle Blower. The Company has constituted an Ethics & Compliance Task Force to process and investigate a protected disclosure made under the policy. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice or victimization. The Audit Committee oversees the Vigil Mechanism. The policy on Vigil Mechanism and Whistle Blower is available on the Company's website and may be accessed at the link: <http://www.network18online.com/reports/policies/Network18-Vigil-Mechanism-policy.pdf>.

Related Party Transactions

All the related party transactions were entered on arms' length basis and were in the ordinary course of business. Further, the transactions with related parties were in compliance with applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (and erstwhile Listing Agreement entered into with the Stock Exchanges). Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transaction is presented before the Audit Committee on a quarterly basis.

During the year, the Company had not entered into any contract/ arrangement/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions. Also, during the year, there were no contracts/arrangements/transactions with Related Parties, which are required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. The policy on dealing with Related Party Transaction and determining the materiality of related party transactions is posted on the Company's website and may be accessed at the link: http://www.network18online.com/reports/policies/materiality_related_partytransactions_policy_Network18.pdf.

The details of the transactions with Related Parties are provided in Note No. 31 to the standalone financial statements.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place Prevention of Sexual Harassment (POSH) Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. During the year no complaint on Sexual Harassment was received.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

Details of Loans given, Investments made, Guarantees given and Securities provided by the Company, during the year, are given in the note No. 13, 14, 16, 41 and 45 to the standalone financial statements.

Auditor and Auditors' Report

Statutory Auditor

Walker Chandio & Co LLP, Chartered Accountants New Delhi (ICAI Firm Regn No. 001076N/N500013) were first appointed as the Statutory Auditors of the Company in the 16th Annual General Meeting (AGM) held on September 9, 2011 and therefore they would complete a tenure of five years at the ensuing Annual General Meeting and are eligible for re-appointment as such for the further term of 5 years, subject to ratification by the members at every Annual General Meeting. The Company has received confirmation from them to the effect that their appointment, if made, shall be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for holding the office of the Auditors. Accordingly, the Board recommends the appointment of the Statutory Auditors for five years to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of 26th Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Auditor

The Board had appointed Pramod Chauhan & Associates, Cost Accountants (Regd. No. 000436) as the Cost Auditors of the Company for the financial year 2015-16 for conducting the audit of the Cost Records of the Company.

Secretarial Auditor

The Board had appointed Chandrasekaran Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016, is annexed herewith and marked as **Annexure II**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Particulars of Employees and Related Information

The information required in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed with this report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

Having regard to the provisions of the first proviso to Section 136 (1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during business hours and any member interested in obtaining such information may write to the Company Secretary and the same shall be furnished on request.

Extract of Annual Return

Extract of the Annual Return in the prescribed format is annexed with this report and marked as **Annexure III**.

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relevant disclosure are given below:

a) Conservation of Energy

The Company is not an energy intensive unit, hence alternate source of energy may not be feasible. However, regular efforts are made to conserve the energy. The Company evaluates the possibilities and various alternatives to reduce energy consumption. Further, use of low energy consuming LED lightings is being encouraged.

b) Technology Absorption

The Company is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of the Company are made aware of the latest working techniques and technologies through workshops, group e-mails, and discussion sessions for optimum utilization of available resources and to improve operational efficiency.

The Company is not engaged in manufacturing activities therefore, certain disclosures on technology absorption and conservation of energy etc. are not applicable.

During the year, there is no expenditure on Research and Development.

c) Foreign Exchange Earnings and Outgo

During the year under review the Company earned ₹ 33.09 Crores of Foreign Exchange and used ₹ 1.95 Crores of Foreign Exchange, both on actual basis.

General

During the year under review:

1. The Company had not issued any equity shares with differential voting rights as to dividend, voting or otherwise.
2. The Company had not issued any shares (including sweat equity shares) to employees of the Company under any scheme, save and except allotment of shares pursuant to Employee Stock Option Scheme as referred in this report.
3. No significant and/or material order was passed by any Regulator/Court/Tribunal which impacts the going concern status of the Company or its future operations.
4. No fraud has been reported by Auditors to the Audit Committee or the Board.

Acknowledgment

Your Directors wish to place on record their appreciation for the faith reposed in the Company and continuous support extended by all the employees, members, customers, joint venture partners, investors, government authorities and bankers.

For and on behalf of the Board of Directors

Adil Zainulbhai
Chairman

Place : Mumbai
Date : 20 April 2016

Annexure IA

Policy for Selection of Directors and determining Directors Independence

1. Introduction

1.1 Network18 Media & Investments Limited (the "Company" or "Network18") believes that an enlightened board of Directors ("Board") consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, Network18 ensures constitution of a Board with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

1.2 Network18 recognizes the importance of Independent Directors in achieving the effectiveness of the Board. Network18 aims to have an optimum combination of executive Directors, non-executive Directors and Independent Directors.

2. Scope and Purpose:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. Terms and References:

Unless defined elsewhere in this Policy, the following terms shall have the following meanings:

3.1 "**Director**" means a director appointed to the Board of the Company.

3.2 "**Nomination and Remuneration Committee**" means the committee constituted by Network18's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations").

3.3 "**Independent Director**" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1)(b) of the Listing Regulations.

4. Policy:

4.1 Qualifications and criteria

The Nomination and Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

In evaluating the suitability of individual Board members, the Nomination and Remuneration Committee shall take into account many factors, including the following:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values; and
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a director's identification number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board meetings and wherever he is appointed as a Board committee ("Committee") member, the Committee meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and senior management personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Listing Regulations and other relevant laws.

The Nomination and Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2. Criteria of Independence

The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence, as laid down in Companies Act, 2013 and the Listing Regulations, is as below: An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director –

- a. who, in the opinion of the board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives-
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a chief executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3. Other Directorships / Committee Memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The Nomination and Remuneration Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

4.3.3A Director shall not serve as an Independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

4.3.4A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committees across all companies in which he holds directorships.

For the purpose of considering the limit of the committees, audit committee and stakeholders' relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded.

Annexure IB

Remuneration Policy for Directors, Key Managerial Personnel and other employees

1. Introduction:

1.1 Network18 Media & Investments Limited ("Network18" or the "Company") recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees ("Policy") keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate only Directors of the quality required to run the company successfully;

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks; and

1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope and Purpose:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the board of Directors of the Company ("Board") the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3. Terms and References:

Unless defined elsewhere in this Policy, the following terms shall have the following meanings:

3.1. "**Director**" means a director appointed to the Board of the Company.

3.2. "**Key Managerial Personnel**" means

- (i) the chief executive officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the chief financial officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

3.3. "**Nomination and Remuneration Committee**" means the committee constituted by Network18's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations").

4. Policy:

4.1. Remuneration To Executive Directors And Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the executive Directors ("Executive Directors") within the overall limits approved by the shareholders of the Company.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:

- (i) Basic pay
- (ii) Perquisites and allowances
- (iii) Stock options
- (iv) Commission (applicable in case of Executive Directors)
- (v) Retiral benefits
- (vi) Annual performance bonus
- (vii) Other perquisites / facilities (including loans/advances) as per the prevalent policies and practices of the Company

4.1.2 The Annual Plan and Objectives for senior executives and Executive Directors shall be reviewed by the Nomination and Remuneration Committee and the annual performance bonus will be approved by the Nomination and Remuneration

Committee based on the achievements against the Annual Plan and Objectives.

4.2. Remuneration to Non-Executive Directors

The Board on the recommendation of the Nomination and Remuneration Committee shall review and approve the remuneration payable to the non-executive Directors (“Non-Executive Directors”) within the overall limits approved by the shareholders of the Company.

Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the committees thereof. The Non-Executive Directors may also be entitled to profit related commission in addition to the sitting fees, as may be decided by the shareholders of the Company, from time to time.

4.3. Remuneration to other Employees

Employees are assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration is determined within the appropriate grade and is based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Remuneration and other perquisites / facilities (including loans/advances) shall be governed by the prevalent policies and practices of the Company.

Annexure II

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

The Members,

Network18 Media & Investments Limited

First Floor, Empire Complex,
414- Senapati Bapat Marg,
Lower Parel, Mumbai-400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Network18 Media & Investments Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55(A);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (notified with effect of 15.05.2015);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable.
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
 - 1. The Press and Registration of Books Act, 1867.
 - 2. Ministry of Information and Broadcasting Guidelines related to:
 - (i) Publication of Foreign Newspapers and Periodicals Dealing with News and Current Affairs.
 - (ii) Publication of Facsimile Editions of Foreign Newspapers.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, effective from 01.07.2015.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 01.12.2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there was no event having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. Further, during the year, the Company has shifted its registered office from the jurisdiction of Registrar of Companies, NCT of Delhi and Haryana to the Registrar of Companies, Maharashtra, Mumbai.

Rupesh Agarwal
Partner

Chandrasekaran Associates
Company Secretaries
Membership No. A16302
Certificate of Practice No.: 5673

Date: April 20, 2016
Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure A to this report and forms an integral part of this report.

Annexure-A to the Secretarial Audit Report

The Members

Network18 Media & Investments Limited

First Floor, Empire Complex,
414- Senapati Bapat Marg,
Lower Parel, Mumbai-400013

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Rupesh Agarwal
Partner

Chandrasekaran Associates
Company Secretaries
Membership No. A16302
Certificate of Practice No.: 5673

Date: April 20, 2016
Place: New Delhi

Annexure III

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

| | |
|--|---|
| i) CIN | L65910DL1996PLC076419* |
| ii) Registration Date | 16/02/1996 |
| iii) Name of the Company | Network18 Media & Investments Limited |
| iv) Category/ Sub-Category of the Company | Public Company |
| v) Address of the Registered Office and contact details | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110 001 Tel: +91 11 4981 2600 Fax: +91 11 4150 6115 |
| vi) Whether listed company | Yes, NSE & BSE |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | Karvy Computershare Private Limited "Karvy Selenium" Tower B, Plot Number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Tel: +91 40 6716 1700 Toll Free No.: 1800-425-8998 Fax No.: +91 40 6716 1680 Email: nwminvestor@karvy.com Website: www.karvy.com |

* Pursuant to the approval of the Regional Director, Northern Region, Ministry of Corporate Affairs (MCA) for shifting of Registered Office of the Company from the National Capital Territory, Delhi to the State of Maharashtra, the Board of Directors has approved shifting of Registered Office to First Floor, Empire Complex, 414- Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. As on March 31, 2016, necessary filings had been made by the Company with MCA to give effect to this change.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

| Sl. No. | Name and Description of main Products/Services | NIC Code of the Product/Service | % to total turnover of the Company |
|---------|--|---------------------------------|------------------------------------|
| 1 | Advertisement & Sponsorship | 63122 | 61.69% |
| 2 | Magazines Advertisement & Sales revenue | 58132 | 13.78% |
| 3 | Mobile short messaging & Mobile Advertisement | 61900 | 19.00% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No. | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held ¹ | Applicable Section |
|--------|---|--|-----------------------|--------------------------------|-------------------------------|--------------------|
| 1. | AETN18 Media Pvt. Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U74300MH2010PTC274878 | Subsidiary | 51 | 2(87)(ii) |
| 2. | Aeon Learning Pvt. Ltd. | No. 2561, 16 th D Main, HAL 2nd Stage, Indiranagar, Bangalore, Karnataka | U80301KA2013PTC070683 | Subsidiary | 44 | 2(87)(i) |
| 3. | Big Tree Entertainment Pvt. Ltd. | Wajeda House, Ground Floor, Gulmoure Cross Road 7, Near Tian Restaurant, Juhu Scheme, Mumbai - 400 049 | U99999MH1999PTC120990 | Subsidiary | 39.35 | 2(87)(i) |
| 4. | Bigtree Entertainment Singapore Pte Limited | 4 Battery Road, # 25-01, Bank of China Building, Singapore (049908) | NA | Subsidiary | 39.35 | 2(87)(i) |
| 5. | Capital 18 Fincap Pvt. Ltd. | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110 001 | U65923DL2006PTC150657 | Subsidiary | 100 | 2(87)(ii) |
| 6. | Colosseum Media Pvt. Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U74120MH2007PTC273464 | Subsidiary | 100 | 2(87)(ii) |
| 7. | Digital18 Media Limited | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U22130MH2007PLC274705 | Subsidiary | 100 | 2(87)(ii) |

| S. No. | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held ¹ | Applicable Section |
|--------|---|---|-----------------------|--------------------------------------|-------------------------------------|-----------------------|
| 8. | E-18 Limited | 10, Diomidous Street, Alphamega Akropolis Building, 3 rd Floor, Office 401, 2024 Nicosia, Cyprus | NA | Subsidiary | 100 | 2(87)(ii) |
| 9. | e-Eighteen.com Limited | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110001 | U99999DL2000PLC140757 | Subsidiary | 91.95 | 2(87)(ii) |
| 10. | Equator Trading Enterprises Pvt. Ltd. | Unit No. 501, 5 th Floor, Tower- 1, One Indiabulls Centre, Jupiter Textile Mills, Elphinstone Road, Mumbai - 400 013 | U52390MH2008PTC177456 | Subsidiary | 100 | 2(87)(ii) |
| 11. | Fantain Sports Pvt Ltd. | F601, Tower 1, Adarsh Palm Retreat ORR, Near Intel, Belandur, Bangalore KA 560 103 | U92412KA2012PTC065678 | Subsidiary | 39.35 | 2(87)(i) |
| 12. | Greycells18 Media Ltd. | 503, 504 & 507, 5 th Floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110 001 | U65923DL2006PLC150020 | Subsidiary | 74.22 | 2(87)(ii) |
| 13. | ibn18 Mauritius Limited | Ebene Esplanade, 24 Bank Street, Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 14. | IBN Lokmat News Pvt. Ltd. | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110001 | U65923DL2007PTC164598 | Subsidiary | 50 | 2(87)(ii) |
| 15. | IndiaCast Media Distribution Pvt. Ltd. | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110001 | U74300DL2008PTC177244 | Subsidiary | 50 | 2(87)(ii) |
| 16. | IndiaCast Distribution Pvt. Ltd. | 703, 7 th Floor, HDIL, Kaledonia, Opp Vijay Nagar, Sahar Road, Andheri (East), Mumbai - 400 069 | U22222MH2012PTC238498 | Subsidiary | 100 | 2(87)(ii) |
| 17. | IndiaCast UK Limited | Suite 02.13, Avanta Harrow, 79, College Road, Harrow, HA1 1BD, United Kingdom | NA | Subsidiary | 100 | 2(87)(ii) |
| 18. | IndiaCast US Limited | 100 Town Square Place, Suite 401, Jersey City, NJ 07310 | NA | Subsidiary | 100 | 2(87)(ii) |
| 19. | Infomedia Press Limited | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110001 | L22219DL1955PLC211606 | Subsidiary | 50.69 | 2(87)(ii) |
| 20. | Money Control Dot Com India Limited | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U67120MH1999PLC120771 | Subsidiary | 100 | 2(87)(ii) |
| 21. | Network18 Holding Limited | Ebene Esplanade, 24 Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 22. | Network18 HSN Holdings Plc | Kanika International Business Center, 6 th Floor, Profitia Iliia No. 4, 4046 Germasogeia, Limassol, Cyprus. | NA | Subsidiary | 51.79 | 2(87)(ii) |
| 23. | Panorama Television Pvt. Ltd. | 1-10-76, Fair Fields, Begumpet, Hyderabad, Telangana - 500 016 | U64204TG1996PTC024587 | Subsidiary | 100 | 2(87)(ii) |
| 24. | Prism TV Pvt. Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U93000MH2008PTC272531 | Subsidiary | 50 | 2(87)(ii) |
| 25. | Reed Infomedia India Pvt. Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U22110MH2006PTC160864 | Subsidiary | 100 | 2(87)(ii) |
| 26. | Roptional Limited | Diomidous, 10 Alphamega Akropolis Building, 3 rd Floor, Flat/Office 401, P.C. 2024, Nicosia, Cyprus | NA | Subsidiary | 100 | 2(87)(ii) |
| 27. | RRB Investments Pvt. Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2007PTC274713 | Subsidiary | 100 | 2(87)(ii) |
| 28. | RRK Finhold Pvt. Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2007PTC273463 | Subsidiary | 100 | 2(87)(ii) |
| 29. | RVT Finhold Pvt. Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2008PTC273537 | Subsidiary | 100 | 2(87)(ii) |
| 30. | RVT Media Pvt. Ltd. | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110001 | U30007DL2007PTC167579 | Subsidiary | 100 | 2(87)(ii) |
| 31. | Setpro18 Distribution Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U74899MH1993PLC273530 | Subsidiary | 100 | 2(87)(ii) |
| 32. | Spacebound Web Labs Private Limited | Amir'y Cs Castle, Flat No T6, III Floor No 14 Mir Bakshi Ali Street, Royapettah, Chennai TN 600014 IN | U74140TN2013PTC089472 | Subsidiary | 39.35 | 2(87)(i) |
| 33. | Television Eighteen Media & Investments Limited | Ebene Esplanade, 24 Bank Street, Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 34. | Television Eighteen Mauritius Limited | Ebene Esplanade, 24 Bank Street, Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 35. | TV18 Broadcast Limited | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110001 | L74300DL2005PLC137214 | Subsidiary | 51.16 | 2(87)(ii) |

| S. No. | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held ¹ | Applicable Section |
|--------|---------------------------------|--|-----------------------|--------------------------------|-------------------------------|--------------------|
| 36. | TV18 Home Shopping Network Ltd. | 503, 504 & 507, 5 th floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi - 110001 | U93091DL2006PLC149705 | Subsidiary | 100 | 2(87)(ii) |
| 37. | Ubona Technologies Pvt. Ltd. | No. 442, 1 st & 3 rd Floor, 17 th Cross, Sector 4, HSR Layout, Bangalore, Karnataka | U72200KA2007PTC043665 | Subsidiary | 50 | 2(87)(i) |
| 38. | Viacom18 Media Pvt. Ltd. | Zion Bizworld, Subhash Road- A, Vile Parle (East), Mumbai - 400 012 | U92100MH1995PTC095508 | Subsidiary | 50 | 2(87)(ii) |
| 39. | Viacom18 US Inc | 2711 Centerville Rd, Ste 400, Wilmington, De 19808 | NA | Subsidiary | 100 | 2(87)(ii) |
| 40. | Viacom18 Media (UK) Limited | Unit 1, Concord Business Centre, Concord Road, London - W3 0TJ, UK | NA | Subsidiary | 100 | 2(87)(ii) |
| 41. | Web18 Holdings Limited | 10, Diomidous Street, Alphamega Akropolis Building, 3 rd Floor, office 401, 2024 Nicosia, Cyprus | NA | Subsidiary | 100 | 2(87)(ii) |
| 42. | Web18 Software Services Ltd. | First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U72200MH2006PLC274714 | Subsidiary | 100 | 2(87)(ii) |
| 43. | 24 X 7 Learning Pvt. Ltd. | COWORK, 24 7, #201/202, 1 st AA Cross, 2 nd Main Road, Kasturinagar Bangalore Bangalore KA 560043 IN | U80302KA2001PTC029172 | Subsidiary | 44 | 2(87)(i) |
| 44. | Eenadu Television Pvt. Ltd. | 1-10-76, Fair Fields Begumpet Hyderabad, Telangana- 500016 | U92111TG1991PTC012643 | Associates | 24.50 | 2(6) |

¹ Representing aggregate % of shares held by the Company and/or its subsidiaries

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year (01.04.2015) | | | | No. of Shares held at the end of the year (31.03.2016) | | | | % Change during the year |
|---|---|-------------|------------------|-------------------|---|----------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | - | - | - | - | - | - | - | - | - |
| b) Central Govt. State Govt.(s) | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | 797987430 | - | 797987430 | 76.22 | 765567588 | - | 765567588 | 73.12 | (3.10) |
| d) Banks/FI | - | - | - | - | - | - | - | - | - |
| e) Others (Trusts) | 19642708 | 1093 | 19643801 | 1.88 | 19643801 | - | 19643801 | 1.88 | - |
| Sub-total (A) (1) | 817630138 | 1093 | 817631231 | 78.10 | 785211389 | - | 785211389 | 75.00 | (3.10) |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | - | - | - | - | - | - | - | - | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other... | - | - | - | - | - | - | - | - | - |
| Sub-total(A)(2) | | | | | | | | | |
| Total | | | | | | | | | |
| Shareholding of Promoter (A) = (A)(1)+(A)(2) | 817630138 | 1093 | 817631231 | 78.10 | 785211389 | - | 785211389 | 75.00 | (3.10) |
| B. Public Shareholding | | | | | | | | | |
| a) Mutual Funds | 203048 | 134 | 203182 | 0.02 | 22155703 | 134 | 22155837 | 2.12 | 2.10 |
| b) Banks/FI | 485419 | 567 | 485986 | 0.04 | 711181 | 567 | 711748 | 0.07 | 0.03 |
| c) Central Govt./State Govt. | - | - | - | - | - | - | - | - | - |
| d) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| e) Insurance Companies | - | - | - | - | - | - | - | - | - |
| f) FIs | 31360245 | - | 31360245 | 3.00 | 31256740 | - | 31256740 | 2.99 | (0.01) |
| g) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| h) Qualified Foreign Investors | - | - | - | - | - | - | - | - | - |

| Category of Shareholders | No. of Shares held at the beginning of the year (01.04.2015) | | | | No. of Shares held at the end of the year (31.03.2016) | | | | % Change during the year |
|---|---|---------------|-------------------|-------------------|---|---------------|-------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| i) Others | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1) | 32048712 | 701 | 32049413 | 3.06 | 54123624 | 701 | 54124325 | 5.18 | 2.12 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 109363371 | 3850 | 109367221 | 10.45 | 109454917 | 3849 | 109458766 | 10.46 | 0.01 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹ 2 lakh | 22149714 | 198955 | 22348669 | 2.14 | 31348121 | 190266 | 31538387 | 3.01 | 0.87 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh | 54456855 | - | 54456855 | 5.20 | 25902015 | - | 25902015 | 2.47 | (2.73) |
| c) Others | - | - | - | - | - | - | - | - | - |
| i) Foreign Bodies | 9202650 | - | 9202650 | 0.88 | 9202650 | - | 9202650 | 0.88 | - |
| ii) Directors | 10000 | - | 10000 | - | 10000 | - | 10000 | - | - |
| iii) Non Resident Indians | 906560 | 848 | 907408 | 0.09 | 1307851 | 848 | 1308699 | 0.13 | 0.04 |
| iv) Overseas Corporate Bodies | 1564 | - | 1564 | - | 1564 | - | 1564 | - | - |
| v) Clearing members | 239878 | - | 239878 | 0.02 | 202159 | - | 202159 | 0.02 | - |
| vi) Employee Trusts | - | - | - | - | 16551014 | - | 16551014 | 1.58 | 1.58 |
| vii) Trusts | 633617 | 13 | 633630 | 0.06 | 11592367 | 13 | 11592380 | 1.11 | 1.05 |
| viii) NBFC Registered with RBI | - | - | - | - | 1845171 | - | 1845171 | 0.18 | 0.18 |
| Sub-total (B)(2) | 196964209 | 203666 | 197167875 | 18.83 | 207417829 | 194976 | 207612805 | 19.84 | 1.01 |
| Total Public Shareholding (B) = (B)(1) + (B)(2) | 229012921 | 204367 | 229217288 | 21.90 | 261541453 | 195677 | 261737130 | 25.00 | 3.10 |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A + B + C) | 1046643059 | 205460 | 1046848519 | 100 | 1046752842 | 195677 | 1046948519 | 100 | - |

(ii) Shareholding of Promoters/Promoter Group

| S. No. | Shareholder's Name | Shareholding at the beginning of the year (01.04.2015) | | | Share holding at the end of the year (31.03.2016) | | | % change in share holding during the year |
|--------|---|---|----------------------------------|--|--|--|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of Shares Pledged/encumbered to total shares | % of Shares Pledged/encumbered to total shares | |
| 1. | RRB Mediasoft Pvt. Ltd. | 108515123 | 10.36 | - | 108515123 | 10.36 | - | - |
| 2. | RB Mediasoft Pvt. Ltd. | 127560417 | 12.18 | - | 127560417 | 12.18 | - | - |
| 3. | RB Media Holdings Pvt. Ltd. | 127528586 | 12.18 | - | 127528586 | 12.18 | - | - |
| 4. | Watermark Infratech Pvt. Ltd. | 127528287 | 12.18 | - | 127528287 | 12.18 | - | - |
| 5. | Colorful Media Pvt. Ltd. | 127528287 | 12.18 | - | 127528287 | 12.18 | - | - |
| 6. | Adventure Marketing Pvt. Ltd. | 127528287 | 12.18 | - | 127528287 | 12.18 | - | - |
| 7. | Independent Media Trust (Held In The Name Of Its Trustees) | 19643801 | 1.88 | - | 19643801 | 1.88 | - | - |
| 8. | Shinano Retail Pvt. Ltd. | 51798443 | 4.95 | - | 19378601 | 1.85 | - | (3.10) |
| 9. | Reliance Industries Limited ¹ | - | - | - | - | - | - | - |
| 10. | RB Holdings Pvt. Ltd. ¹ | - | - | - | - | - | - | - |
| 11. | Reliance Industrial Investments And Holdings Limited ¹ | - | - | - | - | - | - | - |
| | Total | 817631231 | 78.10 | - | 785211389 | 75.00 | - | (3.10) |

¹ These entities form part of the Promoters/Promoters Group, however currently they do not hold any share in the Company.

(iii) Change in Promoters' Shareholding

| Sl. No. | Name/ Particulars | Shareholding at the beginning of the year (As on 01.04.2015) | | Change in the Shareholding during the year | | | Cumulative Shareholding during the year (01.04.2015 to 31-03-2016) | |
|---------|--|--|----------------------------------|--|----------------------------------|----------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | Date of Change | No. of shares | % of total shares of the company |
| 1 | Shareholding of the Promoters/Promoter Group | 817631231 | 78.10 | (32419842)* | (3.10) | 08.07.2015 | 785211389 | 75.00 |

*Promoter and Promoter Group entity namely Shinano Retails Private Limited has on July 8, 2015 sold 32419842 equity shares of Rs. 5/- each, representing 3.10% of the capital of the Company, in order to meet the requirement of minimum public shareholding.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| S. No. | Name of Shareholder | Shareholding | | Change in the Shareholding during the year | | | Cumulative Shareholding during the year | |
|--------|---|--|----------------------------------|--|-----------------|------------------------------------|---|----------------------------------|
| | | No. of shares at the beginning (01.04.2015)/ end of the year (31.3.2016) | % of total shares of the Company | Date | Reason | Increase/ decrease in shareholding | No. of shares | % of total shares of the Company |
| 1 | Nexg Ventures India Pvt. Ltd. | 51078443 | 4.88 | 01.04.2015 | No Movement | - | | |
| | | 51078443 | 4.88 | 31.03.2016 | During the year | - | 51078443 | 4.88 |
| 2 | Arizona Global Services Pvt. Ltd. | 31154186 | 2.98 | 01.04.2015 | No Movement | - | | |
| | | 31154186 | 2.98 | 31.03.2016 | During the year | - | 31154186 | 2.98 |
| 3 | ACACIA Banyan Partners | 26351424 | 2.52 | 01.04.2015 | No Movement | - | | |
| | | 26351424 | 2.52 | 31.03.2016 | During the year | - | 26351424 | 2.52 |
| 4 | HDFC Trustee Company Limited | - | - | 01.04.2015 | | | | |
| | | | | 10.07.2015 | Transfer | 24730000 | 24730000 | 2.36 |
| | | | | 04.09.2015 | Transfer | 180000 | 24910000 | 2.38 |
| | | | | 09.10.2015 | Transfer | 153000 | 25063000 | 2.39 |
| | | | | 23.10.2015 | Transfer | 500000 | 25563000 | 2.44 |
| | | | | 31.12.2015 | Transfer | -2235000 | 23328000 | 2.23 |
| | | | | 01.01.2016 | Transfer | -134000 | 23194000 | 2.22 |
| | | | | 08.01.2016 | Transfer | -247000 | 22947000 | 2.19 |
| | | 22002400 | 2.10 | 31.03.2016 | Transfer | -944600 | 22002400 | 2.10 |
| 5 | Network18 Media Trust (held in the name of its Trustee) | 11586762 | 1.11 | 01.04.2015 | No Movement | - | | |
| | | 11586762 | 1.11 | 31.03.2016 | During the year | - | 11586762 | 1.11 |
| 6 | Network18 Group Senior Professional Welfare Trust (held in the name of its Trustee) | 15922729 | 1.52 | 01.04.2015 | No Movement | - | | |
| | | 15922729 | 1.52 | 31.03.2016 | During the year | - | 15922729 | 1.52 |
| 7 | Saif III Mauritius Company Limited | 10974612 | 1.05 | 01.04.2015 | No Movement | - | | |
| | | 10974612 | 1.05 | 31.03.2016 | During the year | - | 10974612 | 1.05 |
| 8 | Reliance Capital Limited* | 5055000 | 0.48 | 01.04.2015 | | | | |
| | | | | 25.12.2015 | Transfer | -5055000 | - | - |
| | | - | - | 15.01.2016 | Transfer | 1500000 | 1500000 | 0.14 |
| | | 1500000 | 0.14 | 31.03.2016 | | | 1500000 | 0.14 |

| S. No. | Name of Shareholder | Shareholding | | Change in the Shareholding during the year | | | Cumulative Shareholding during the year | |
|--------|-----------------------------------|--|----------------------------------|--|-----------------------------|------------------------------------|---|----------------------------------|
| | | No. of shares at the beginning (01.04.2015)/ end of the year (31.3.2016) | % of total shares of the Company | Date | Reason | Increase/ decrease in shareholding | No. of shares | % of total shares of the Company |
| 9 | Radhakishan Damani | 3946304 | 0.38 | 01.04.2015 | | | | |
| | | | | 08.05.2015 | Transfer | -370000 | 3576304 | 0.34 |
| | | | | 07.08.2015 | Transfer | 249000 | 3825304 | 0.37 |
| | | | | 07.08.2015 | Transfer | -249000 | 3576304 | 0.34 |
| | | | | 28.08.2015 | Transfer | -412512 | 3163792 | 0.30 |
| | | | | 11.09.2015 | Transfer | -205230 | 2958562 | 0.28 |
| | | | | 30.10.2015 | Transfer | 205230 | 3163792 | 0.30 |
| | | | | 13.11.2015 | Transfer | 1000000 | 4163792 | 0.40 |
| | | | | 13.11.2015 | Transfer | -1000000 | 3163792 | 0.30 |
| | | | | 31.12.2015 | Transfer | 700000 | 3863792 | 0.37 |
| | | | | 31.12.2015 | Transfer | -700000 | 3163792 | 0.30 |
| | | | | 22.01.2016 | Transfer | 700000 | 3863792 | 0.37 |
| | | | | 22.01.2016 | Transfer | -700000 | 3163792 | 0.30 |
| | | | | 12.02.2016 | Transfer | 1200000 | 4363792 | 0.42 |
| | | 12.02.2016 | Transfer | -1200000 | 3163792 | 0.30 | | |
| | | | | | 3163792 | 0.30 | | |
| 10 | Bright Star Investments Pvt. Ltd. | 3000000 | 0.29 | 01.04.2015 | No Movement During the year | | | |
| | | 3000000 | 0.29 | 31.03.2016 | | | 3000000 | 0.29 |
| 11 | Parmesh Finlease Limited* | 720000 | 0.07 | 01.04.2015 | | | | |
| | | | | 15.01.2016 | Transfer | 2424554 | 2496554 | 0.17 |
| | | 2496554 | 0.24 | 31.03.2016 | | | 2496554 | 0.24 |
| 12 | Kirandevi Gopikishan Damani# | 1782797 | 0.17 | 01.04.2015 | | | | |
| | | | | 17.04.2015 | Transfer | -482161 | 1300636 | 0.12 |
| | | 1300636 | 0.12 | 31.03.2016 | | | 1300636 | 0.12 |

* Not in the list of Top 10 shareholders as on 31-03-2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2016.

Ceased to be in the list of Top 10 shareholders as on 31-03-2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2015.

(v) Shareholding of Directors and Key Managerial Personnel:

| S. No. | Particulars | Shareholding | | Change in the Shareholding during the year | | | Cumulative Shareholding during the year | |
|--|--------------------------------|---|----------------------------------|--|-----------------------------|--------------------------------------|---|----------------------------------|
| | | No. of shares at the beginning (01.04.2015) / end of the year (31.3.2016) | % of total shares of the Company | Date | Reason | Increase or decrease in shareholding | No of Shares | % of total shares of the Company |
| A. Directors | | | | | | | | |
| 1 | Vinay Chand Chhajlani | 10,000 | 0.00 | 01.04.2015 | No Movement During the year | | | |
| | | 10,000 | 0.00 | 31.03.2016 | | | 10000 | 0.00 |
| B. KEY MANAGERIAL PERSONNEL (KMP) | | | | | | | | |
| 1. | Yug Samrat (Company Secretary) | 1 | - | 01.04.2015 | No Movement During the year | | | |
| | | 1 | - | 31.03.2016 | | | 1 | 0.00 |

Note: Apart from above, none of the Directors/KMP's held any share in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount ₹ in Lacs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|--|------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year (01.04.2015) | | | | |
| i) Principal Amount | 18,549.81 | 36,578.32 | - | 55,128.13 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 68.48 | - | 68.48 |
| Total (i+ii+iii) | 18,549.81 | 36,646.80 | - | 55,196.61 |
| Change in Indebtedness during the financial year | | | | |
| o Addition | - | 11,901.49 | - | 11,901.49 |
| o Reduction | 2,377.45 | 30.01 | - | 2,407.46 |
| Net Change | 2,377.45 | 11,871.48 | - | 9,494.03 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 16,172.36 | 48,479.81 | - | 64,652.17 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 38.47 | - | 38.47 |
| Total (i+ii+iii) | 16,172.36 | 48,518.28 | - | 64,690.64 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sl. No. | Particulars of Remuneration | Ms. Kshipra Jatana (Manager) |
|---------|---|--|
| 1. | Gross salary | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | Nil |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | |
| 2. | Stock Option | Nil |
| 3. | Sweat Equity | Nil |
| 4. | Commission | Nil |
| | - as % of profit | |
| | - others, specify | |
| 5. | Others, please specify | Nil |
| | Total (A) | Nil |
| | Ceiling as per the Act | Not applicable as the Company is in loss (However, if Company desires so, the remuneration may be paid based on effective Capital of the Company in accordance with Schedule V to the Companies Act, 2013) |

B. Remuneration to other directors

(Amount ₹ in Lacs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | | | Total Amount |
|---|---|--|-----------------|--------------|--------------|--------------|----------------------------|--------------|
| | | Deepak Parekh | Adil Zainulbhai | Rajiv Luthra | Dhruv Kaji | Nirupama Rao | Prasoon Joshi ¹ | |
| 1. Independent Directors | | | | | | | | |
| | Fee for attending Board/Committee Meetings | 5.00 | 12.00 | 5.00 | 11.00 | 2.00 | 2.00 | 37.00 |
| | Commission | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total (1) | 5.00 | 12.00 | 5.00 | 11.00 | 2.00 | 2.00 | 37.00 |
| 2. Other Non-Executive Directors | | | | | | | | |
| | Fee for attending Board /Committee Meetings | 11.00 | 5.00 | 0.00 | | | | 16.00 |
| | Commission | 0.00 | 0.00 | 0.00 | | | | 0.00 |
| | Others | 0.00 | 0.00 | 0.00 | | | | 0.00 |
| | Total (2) | 11.00 | 5.00 | 0.00 | | | | 16.00 |
| | Total (B) = (1 + 2) | | | | | | | 53.00 |
| | Total Managerial Remuneration | | | | | | | 53.00 |
| | Overall Ceiling as per the Act | The Company can pay a sitting fee of Rs. 1,00,000 for attending each meeting of the Board of directors and its committees. | | | | | | |

¹ Appointed as an Independent Director w.e.f. January 15, 2016.² Ceased to be Director w.e.f. February 8, 2016.**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Amount in ₹)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | Total |
|---------|---|--------------------------|--------------------------------|-----------------------------|--------------------|
| | | CEO* (A.P. Parigi) | Company Secretary (Yug Samrat) | CFO** (Hariharan Mahadevan) | |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1,98,22,972 | 25,12,535 | 0.00 | 2,23,35,507 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. | Stock Option | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. | Sweat Equity | 0.00 | 0.00 | 0.00 | 0.00 |
| 4. | Commission | | | | |
| | - as % of profit | 0.00 | 0.00 | 0.00 | 0.00 |
| | - others, specify... | 0.00 | 0.00 | 0.00 | 0.00 |
| 5. | Others, please specify (Employers Contribution to PF) | 8,40,000 | 1,59,973 | 0.00 | 9,99,973 |
| | Total | 2,06,62,972 | 26,72,508 | 0.00 | 2,33,35,840 |

* Ceased to be Group CEO w.e.f. September 30, 2015.

** No Remuneration is paid from the Company.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD/NCLT/Court] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

NIL

Corporate Governance Report

The report containing details of Corporate Governance systems and processes of Network18 Media & Investments Limited (hereinafter referred to as “Network18” or “The Company”), in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) are as follows:

1. Company’s Philosophy on Code of Governance

Corporate Governance is about commitment to values and ethical business conduct. We look upon good corporate governance practices as a key driver of sustainable corporate growth and long-term shareholders value creation. Good corporate governance is about enhancing value for all our stakeholders. The Company is committed to adopt best practices in corporate governance. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of corporate governance.

The Company believes that sound corporate governance is critical to enhance and retain investors’ trust. The Company’s corporate governance philosophy is based on the following principles:

1. Primary responsibility of a good corporate entity is maximizing shareholders value.
2. Be transparent and maintain a high degree of disclosures level.
3. Sound system of risk management and internal control.
4. Principles of integrity, transparency, disclosure, accountability and fairness.
5. Upholding the highest standards of professionalism.
6. Management is the trustee of the members’ capital and not the owner.

The Company complies with all statutory and regulatory

requirements on corporate governance and has constituted the requisite committees to look into issues of financial reporting, investor grievances and executive remuneration. This attitude of Network18 has strengthened the bond of trust with its stakeholders including the society at large.

Ethics / Governance Policies

At Network18, we strive to conduct our business and strengthen our relationship in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct to Regulate, Monitor and Report Trading by Insiders
- Code of Business Conduct and Ethics for Directors and Management Personnel
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Corporate Social Responsibility Policy
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Policy for determining Material Subsidiaries
- Website Archival Policy
- Policy for preservation of documents
- Policy for Determination and Disclosure of materiality of events & information

2. Board of Directors

Board composition and category of Directors:

The composition of the Board and category of Directors are as follows:

| Category | Name of Directors |
|---|--------------------------------|
| Independent Directors | Mr. Adil Zainulbhai – Chairman |
| | Mr. Deepak Shantilal Parekh |
| | Mr. Rajiv Krishan Luthra |
| | Mr. Dhruv Subodh Kaji |
| | Ms. Nirupama Rao |
| | Mr. Prasoon Joshi ¹ |
| Non-Executive Non-Independent Directors | Mr. Vinay Chand Chhajlani |
| | Mr. Rohit Bansal |

¹ Appointed as Additional Director w.e.f. January 15, 2016.

None of the Directors is inter se, related to any other Director on the Board nor is related to any other Key Managerial Personnel of the Company.

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law. All the Independent Directors have given the requisite declarations of independence during the year.

Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Non-Independent Directors and management personnel. Such meetings of Independent Directors are conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the other Independent Directors. Independent Directors take appropriate steps to present their views to the Board.

Performance Evaluation Criteria of Directors

Performance of Independent Directors is evaluated based on the criteria of evaluation of directors (including independent directors) devised by the Nomination and Remuneration Committee. As per the criteria, the directors are evaluated based on, *inter alia*, their

attendance, contributions made by them in the meeting, subject knowledge, awareness of the business and regulatory environment in which the Company operates. Annual performance evaluation of the Independent Directors is done by the Board of Directors and Nomination and Remuneration Committee.

Familiarization Programmes for Board Members

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company organizes various programmes and presentations for the Board of Directors in order to familiarize them with their roles, rights, responsibilities in the Company, nature of the industry in which it operates, Business model of the Company and other related matters.

Presentations are made periodically at the Board and its Committees Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Periodical updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are also circulated to the Directors.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and may be accessed at: <http://www.network18online.com/reports/policies/Familiarisation-Programmes-for-Independent-directors.pdf>.

Code of Conduct

The Company has a Code of Business Conduct and Ethics for Directors and Management Personnel. The Code, while laying down in detail, the standards of business conduct, ethics and governance, centers around the following theme:

"The Company's Board and Management Personnel are responsible for, and are committed to, setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness

to the needs of local and international investors and other stakeholders as also to reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in 'spirit'."

A copy of the Code has been posted on the Company's website i.e. www.network18online.com. The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration to this effect, signed by the Manager of the Company is given below:

It is hereby certified that all the members of the Board and Senior Management Personnel have confirmed to and complied with the Code during the financial year 2015-16 and there has been no instance of violation of the Code.

Kshipra Jatana

Manager

April 20, 2016, Mumbai

3. Board and Committee Meetings and its Procedures

(a) Institutionalised decision-making process

The Board of Directors is the apex body constituted for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that stakeholders long-term interests are being served.

The Board has constituted various committees, like Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. The Board is authorised to constitute additional functional committees, from time to time, depending on business needs.

The Company's internal guidelines for Board / Board Committee meetings facilitate the decision making process at its meetings in an informed and efficient manner. The following sub-sections deal with the practice of these guidelines at the Company.

(b) Scheduling and selection of agenda items for Board meetings

(i) Minimum five pre-scheduled Board meetings are held in a financial year. Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

(ii) All departments of the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion / approval / decision at Board / Board Committee meetings. Such matters are communicated by them to the Company Secretary in advance so that they are included in the agenda for Board / Board Committee meetings.

(iii) The Board is given presentations / briefed on areas covering operations of the Company, before taking on record the quarterly / annual financial results of the Company. The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalize the agenda for Board meetings.

The items / matters required to be placed before the Board, inter alia, include:

- Annual operating plans of businesses and budgets including capital budgets and any updates
- Company's Annual Financial Results, Financial Statements, Auditors' Report and Board's Report
- Quarterly results of the Company
- Minutes of meetings of the Audit Committee and other Committees of the Board
- Show cause, demand, prosecution notices and penalty notices, which are of material nature
- Fatal or serious accidents, dangerous occurrences, and any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Recruitment and remuneration of senior officers just below the Board of Directors
- Details of any joint venture or collaboration agreement

- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
 - Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like implementation of Voluntary Retirement Scheme, etc.
 - Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business
 - Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material
 - Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others
 - Appointment, remuneration and resignation of Directors
 - Formation/re-constitution of Board Committees
 - Terms of reference of Board Committees
 - Minutes of Board meetings of unlisted subsidiary companies
 - Declaration of Independent Directors at the time of appointment/annually
 - Disclosure of Directors' interest and their shareholding
 - Appointment or removal of the Key Managerial Personnel
 - Appointment of Statutory Auditors, Internal Auditors, Secretarial Auditors and Cost Auditors
 - Secretarial Audit and Cost Audit reports
 - Issue of Securities including Debentures
 - Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee
 - Internal Audit findings and External Audit Reports (through the Audit Committee)
 - Making of loans and Investment of surplus funds
 - Borrowing of monies, giving guarantees or provide security in respect of loans
 - Compliance Certificate certifying compliance with all laws as applicable to the Company.
 - Significant changes in accounting policies and internal controls
 - Takeover of a company or acquisition of a controlling or substantial stake in another company
 - Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies
- The agenda and notes on agenda are circulated to Directors in advance, in the defined agenda format. All material information is incorporated in the notes to the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.
- (c) Recording minutes of proceedings of Board and Board Committee meetings**
- The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to the Board/Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.
- (d) Post meeting follow-up mechanism**
- The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at the Board/Board Committee meetings are communicated promptly to the concerned departments / divisions. Minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Board Committee for noting.
- (e) Compliance**
- The Company Secretary, while preparing the agenda, notes on agenda, minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations including Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards (SS-1 and SS-2) specified by the Institute of Company Secretaries of India.

4. Details of Board Meetings Held

Five Board meetings were held during the year ended March 31, 2016, as against the minimum requirement of four meetings. The details of Board meetings are given below:

| Date of the Meeting | Board Strength | No. of Directors Present |
|---------------------|----------------|--------------------------|
| April 15, 2015 | 8 | 5 |
| July 22, 2015 | 8 | 6 |
| October 14, 2015 | 8 | 4 |
| January 15, 2016 | 8 | 7 |
| March 23, 2016 | 8 | 7 |

5. ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS, LAST ANNUAL GENERAL MEETING (AGM) AND NUMBER OF OTHER DIRECTORSHIP(S) AND CHAIRMANSHIP(S) / MEMBERSHIP(S) OF COMMITTEES OF EACH DIRECTOR IN VARIOUS COMPANIES:

| Name of the Director | Attendance at meetings during 2015-16 | | No. of Other Directorship(s) ³ | No. of Membership(s) / Chairmanship(s) of Board Committees ⁴ |
|--------------------------------|---------------------------------------|------|---|---|
| | Board Meetings | AGM | | |
| Mr. Adil Zainulbhai | 5 | Yes | 7 | 7 (including 5 as Chairman) |
| Mr. Deepak Shantilal Parekh | 2 | No | 12 | 7 (including 3 as Chairman) |
| Mr. Dhruv Subodh Kaji | 5 | No | 3 | 4 |
| Ms. Nirupama Rao | 2 | No | 4 | 1 |
| Mr. Prasoon Joshi ¹ | 1 | N.A. | 5 | Nil |
| Mr. Raghav Bahi ² | Nil | No | N.A. | N.A. |
| Mr. Rajiv Krishan Luthra | 4 | No | 7 | 6 (including 2 as Chairman) |
| Mr. Rohit Bansal | 5 | Yes | 9 | 7 (including 2 as Chairman) |
| Mr. Vinay Chand Chhajlani | 5 | Yes | 17 | 1 |

¹ Appointed as Additional Director on January 15, 2016. One (1) Board Meeting was held during his tenure.

² Ceased to be a director w.e.f. February 8, 2016. Four (4) Board Meetings were held during his tenure.

³ The Directorships, held by Directors as mentioned above, do not include Directorships in foreign companies.

⁴ In accordance with the Listing Regulations, Membership(s) / Chairmanship(s) of only the Audit Committees and Shareholders' / Stakeholders Relationship Committees in all public limited companies (including that of the Company) have been considered.

Video/tele-conferencing facilities are provided to facilitate Directors traveling abroad or present at other locations to participate in the meetings.

6. Board Committees

Details of the Board Committees and other related information:

| Audit Committee | | Corporate Social Responsibility Committee | |
|-------------------------------------|---|---|---|
| Sl. No. | Name of Director | Sl. No. | Name of Director |
| 1 | Mr. Adil Zainulbhai (Independent Director, Chairman of the Committee) | 1 | Mr. Adil Zainulbhai (Independent Director, Chairman of the Committee) |
| 2 | Mr. Deepak Shantilal Parekh (Independent Director) | 2 | Mr. Rajiv Krishan Luthra (Independent Director) |
| 3 | Mr. Dhruv Subodh Kaji (Independent Director) | 3 | Mr. Rohit Bansal (Non-Executive Director) |
| 4 | Mr. Rohit Bansal (Non-Executive Director) | 4 | Mr. Vinay Chand Chhajlani (Non-Executive Director) |
| Risk Management Committee | | Nomination And Remuneration Committee | |
| 1 | Mr. Adil Zainulbhai (Independent Director, Chairman of the Committee) | 1 | Mr. Dhruv Subodh Kaji (Independent Director, Chairman of the Committee) |
| 2 | Mr. Dhruv Subodh Kaji (Independent Director) | 2 | Mr. Adil Zainulbhai (Independent Director) |
| 3 | Mr. Rohit Bansal (Non-Executive Director) | 3 | Mr. Deepak Shantilal Parekh (Independent Director) |
| 4 | Mr. Hariharan Mahadevan (Chief Financial Officer) | 4 | Mr. Rohit Bansal (Non-Executive Director) |
| Stakeholders Relationship Committee | | | |
| 1 | Mr. Adil Zainulbhai (Independent Director, Chairman of the Committee) | | |
| 2 | Mr. Rohit Bansal (Non-Executive Director) | | |
| 3 | Mr. Vinay Chand Chhajlani (Non-Executive Director) | | |

Mr. Yug Samrat, Company Secretary and Compliance Officer is the Secretary of all Board Committees.

Meetings of Board Committees held during the year and Directors' attendance:

| Particulars | Audit Committee | Nomination and Remuneration Committee |
|---------------------------------|-----------------|---------------------------------------|
| Number of Meetings held | 5 | 1 |
| No. of Meetings attended | | |
| Mr. Adil Zainulbhai | 5 | 1 |
| Mr. Deepak Shantilal Parekh | 2 | - |
| Mr. Dhruv Subodh Kaji | 5 | Refer Note below ¹ |
| Mr. Rohit Bansal | 5 | 1 |
| Mr. Rajiv Krishan Luthra | N.M. | N.M. |
| Mr. Vinay Chand Chhajlani | N.M. | N.M. |
| Mr. Raghav Bahl | N.M. | N.M. |
| Ms. Nirupama Rao | N.M. | N.M. |
| Mr. Prasoon Joshi ² | N.M. | N.M. |

¹ Mr. Dhruv Subodh Kaji was appointed as member of the Committee on October 14, 2015 and no meeting was held during his tenure.

² Appointed as Additional Director on January 15, 2016

N.M. - Not a Member of the Committee

No meeting of Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee was held during the year.

Procedure at Committee Meetings

The Company's guidelines relating to the Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage external experts, advisors and counsels to the extent it considers appropriate to assist in discharging its function. Minutes of proceedings of Committee meetings are circulated to the respective committee members and also placed before the Board for noting.

(a) Audit Committee

Composition of the Committee:

| | |
|--------------------------------|------------------------|
| Mr. Adil Zainulbhai (Chairman) | Independent Director |
| Mr. Deepak Shantilal Parekh | Independent Director |
| Mr. Dhruv Subodh Kaji | Independent Director |
| Mr. Rohit Bansal | Non-Executive Director |

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. Members of the Audit Committee possess financial / accounting expertise / exposure.

Terms of Reference of the Audit Committee, *inter alia*, includes the following:

Powers of the Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain external legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Committee, *inter alia*, includes the following:

- To examine and oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend to the Board, the appointment, remuneration and terms of appointment of the Auditors of the Company.
- To review and monitor the Auditor's Independence and performance and effectiveness of the audit process.
- To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- To review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub Section (3) of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by the management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of related party transaction and
 - Qualification in the draft audit report.
- To examine the financial statements and auditors' report thereon and review the same with the management before submission to the Board for approval.
- To monitor end use of funds raised through public offer and related matters and review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making

appropriate recommendations to the Board to take up steps in this matter.

- To approve subsequent modification of transactions of the Company with related parties.
- To scrutinize inter-corporate loans and investments.
- To approve the valuation of undertakings or assets of the Company, whenever it is necessary.
- To evaluate internal financial controls and risk management systems.
- To review with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- To discuss with Internal Auditors any significant findings and follow up thereon.
- To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- To approve the appointment of Chief Financial Officer (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- To carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

Reviewing the following information by the Committee:

- The Management Discussion and Analysis of financial condition and results of operations.

- Statement of significant related party transactions (as per the Company's Policy), submitted by management.
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
- Internal Audit Reports relating to internal control weaknesses and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor/Internal Auditor(s) shall be subject to review by the Audit Committee.

General

Executives of Finance and Accounts Department, Secretarial Department and representatives of Statutory and Internal Auditors are also invited to attend the Audit Committee Meetings.

The Internal Auditors reports directly to the Audit Committee.

During the year, five meetings of the Audit Committee were held on April 15, 2015, July 22, 2015, October 14, 2015, January 15, 2016 and March 23, 2016 and the maximum time gap between any two meetings was less than 120 days.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 24, 2015.

(b) Nomination and Remuneration Committee

Composition of the Committee:

| | |
|----------------------------------|------------------------|
| Mr. Dhruv Subodh Kaji (Chairman) | Independent Director |
| Mr. Adil Zainulbhai | Independent Director |
| Mr. Deepak Shantilal Parekh | Independent Director |
| Mr. Rohit Bansal | Non-Executive Director |

The Committee's composition meets with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 as amended from time to time.

Terms of Reference of the Committee, *inter alia*, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommended to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including:
 - the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate
 - the conditions under which option vested in employees may lapse in case of termination of employment for misconduct
 - the exercise period within which the employee should exercise the option, and that the option would lapse on failure to exercise the option within the exercise period
 - the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee
 - the right of an employee to exercise all options vested in him at one time or at various points of time within the exercise period
 - the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others
 - the granting, vesting and exercising of options in case of employees who are on long leave; and
 - the procedure for cashless exercise of options
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable
- To perform such other functions as may be necessary or appropriate for the performance of its duties

During the year, the Nomination and Remuneration Committee met once on July 22, 2015.

Remuneration policy and details of remuneration of Non-Executive Directors:

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure IB** to the Board's Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the industry practice.

Details of the remuneration / sitting fees paid to the Directors Remuneration of Non-Executive Directors:

During the year, apart from the sitting fees, no remuneration was paid to the Non-Executive Directors. The criteria for making payments to Non-Executive Directors is posted on the website of the Company and can be accessed at: <http://www.network18online.com/reports/Notices%20and%20Events/Other%20Notices/Criteria%20for%20payment%20to%20NEDs%20-Network18.pdf>

Sitting fee/remuneration paid to the Directors during the year is given below:

| (Amount in ₹) | | |
|--|------------------------|-------------|
| Name of the Director | Category | Sitting Fee |
| Mr. Adil Zainulbhai (Chairman) | Independent Director | 12,00,000 |
| Mr. Deepak Shantilal Parekh | Independent Director | 5,00,000 |
| Mr. Vinay Chand Chhajlani ³ | Non-Executive Director | 5,00,000 |
| Mr. Rohit Bansal | Non-Executive Director | 11,00,000 |
| Mr. Rajiv Krishan Luthra ⁴ | Independent Director | 5,00,000 |
| Mr. Dhruv Subodh Kaji | Independent Director | 11,00,000 |
| Ms. Nirupama Rao | Independent Director | 2,00,000 |
| Mr. Prasoon Joshi ¹ | Independent Director | 2,00,000 |
| Mr. Raghav Bahl ² | Non-Executive Director | - |

¹ Appointed as Directors w.e.f. January 15, 2016

² Ceased to be Director w.e.f. February 8, 2016

³ During the year ended March 31, 2016, the Company has availed certain services for a consideration of ₹ 77.55 Lacs, from Webdunia.Com (India) Private Limited, a Company in which Mr. Vinay Chand Chhajlani, is the Whole Time Director.

⁴ During the year ended March 31, 2016, the Company has paid ₹ 66.16 Lacs as professional fees to M/s. Luthra & Luthra Law Offices., a firm in which Mr. Rajiv Krishan Luthra, Director of the Company, is the managing partner.

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

(c) Stakeholders Relationship Committee

Composition of the Committee:

| | |
|--------------------------------|------------------------|
| Mr. Adil Zainulbhai (Chairman) | Independent Director |
| Mr. Rohit Bansal | Non-Executive Director |
| Mr. Vinay Chand Chhajlani | Non-Executive Director |

The aforesaid Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of Shareholders' / Investors' Complaints. During the year all the Investors Complaints were promptly redressed. No meeting of the Stakeholders Relationship Committee was held during the year.

The aforesaid Committee's composition and the terms of reference meet with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Terms of Reference of the Committee, *inter alia*, includes the following:

- To approve the transfer/ transmission/ transposition of any security of the Company and to issue Certificates thereof.
- To approve requests for dematerialization/rematerialization of securities and issue Certificates thereof.
- To issue duplicate Share Certificates including in place of those which are lost, damaged or in which the pages are completely exhausted (provided such original certificates are surrendered to the Company).
- To affix or authorize affixation of the Common Seal of the Company to the Security Certificates (equity, preference or any other security) issued by the Company, wherever necessary or required.
- To allot any security from time to time either under the rights issue, public issue, preferential issue or in any other mode or form including issue of shares against exercise of Stock Options granted under Company's ESOP Schemes.
- To redress Security holders' concerns/complaints/grievances.
- To attend to other areas of Stakeholders' services.
- To oversee performance of the Registrar and Transfer Agent of the Company and recommend measure for overall improvement in the quality of investor service.

Investors Grievance Redressal

The Company received 10 complaints during the year ended March 31, 2016. These Complaints were pertaining to *inter alia*, non receipt of dividend warrants and non-receipt of Annual Reports. All the complaints were promptly resolved and there was no outstanding complaint as on March 31, 2016.

Compliance Officer: Mr. Yug Samrat, Company Secretary, is the Compliance Officer for complying with requirements of Securities Laws, Listing Regulations and SEBI (Prohibition of Insider Trading) Regulation, 2015.

(d) Corporate Social Responsibility Committee

Composition of the Committee:

| | |
|--------------------------------|------------------------|
| Mr. Adil Zainulbhai (Chairman) | Independent Director |
| Mr. Rajiv Krishan Luthra | Independent Director |
| Mr. Rohit Bansal | Non-Executive Director |
| Mr. Vinay Chand Chhajlani | Non-Executive Director |

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility (CSR) Policy'. During the year no meeting of the Committee was held as there was no obligation on the Company to spend money on CSR activities.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

Terms of Reference of the Committee, *inter alia*, includes the following:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder.
- To review and recommend the amount of expenditure to be incurred on the CSR related activities to be undertaken by the Company.
- To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken by the Company from time to time.
- Any other additional roles/powers and authorities as may be prescribed under any law, rule, regulation, circular etc. and Listing Regulations as may be prescribed.
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

(e) Risk Management Committee

Composition of the Committee:

| | |
|-------------------------|-------------------------|
| Mr. Adil Zainulbhai | Independent Director |
| Mr. Dhruv Subodh Kaji | Independent Director |
| Mr. Rohit Bansal | Non –Executive Director |
| Mr. Hariharan Mahadevan | Chief Financial Officer |

Terms of Reference of the Committee, *inter-alia*, includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy

- Monitoring of Risk Management Plan and Policy
- Validating the process for risk management and risk minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed

During the year, no meeting of the Committee was held

7. Subsidiary Companies' Monitoring Framework

All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. Viacom18 Media Private Limited is a material non-listed Indian subsidiary of the Company. The Company has formulated policy for determining material subsidiary.

The Policy has been posted on the Company's website and may be accessed at <http://www.network18online.com/reports/policies/Network18-Policy-for-Determining-Material-Subsidiaries.pdf>. Further, Ms. Nirupama Rao, Independent Director of the Company has been appointed as Independent Director on the Board of its material subsidiary namely Viacom18 Media Private Limited.

The Company monitors performance of subsidiary companies, *inter alia*, by the following means:

- Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee
- Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board/Audit Committee.

8. General Body Meetings

(i) Annual General Meetings

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed there at, are as follows:

| Year | Date | Venue | Time | Special Resolution Passed |
|------|--------------------|---|------------|---------------------------|
| 2013 | July 29, 2013 | M.P.C.U Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Nivas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi – 110 054. | 04.00 p.m. | No |
| 2014 | September 30, 2014 | Tivoli Garden Resort, Khasra No. 646-653, Chattarpur Road, Near | 11.00 a.m. | Yes (three) ¹ |
| 2015 | September 24, 2015 | Chattarpur Mandir, New Delhi -110 074. | 11.00 a.m. | No |

¹ Three special resolutions were passed in regard to (i) approval of borrowing by the Company (ii) approval of offer for invitation to subscribe to Non-Convertible Debentures on private placement and (iii) to adopt the new set of Articles of Association of the Company.

(ii) Special Resolutions passed through Postal Ballot

During the year members of the Company have approved following Special Resolutions on September 28, 2015 through postal ballot.

Resolution 1: Special Resolution under Section 13 and other applicable provisions, if any, of the Companies Act, 2013 to shift the Registered Office of the Company from National Capital Territory of Delhi to the State of Maharashtra, i.e. within the jurisdiction of the Registrar of Companies, Maharashtra at Mumbai.

Resolution 2: Special Resolution under Sections 42, 71, 180 (1) (c) and other applicable provisions, if any, of the

Companies Act, 2013 and rules made thereunder to give approval to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, foreign currency convertible bonds and / or bonds with share warrants in one or more series / tranches, aggregating up to ₹ 1000 crores (Rupees One thousand crores).

Resolution 3: Special Resolution under Section 180 (1) (a) and other applicable provisions, if any of the Companies Act, 2013 to create charges, mortgages and hypothecations, in addition to the existing charges, mortgages and hypothecations created by the Company on its movable and immovable properties, both present and future for securing borrowings of the Company.

The details of the Voting Pattern in respect of Special Resolutions passed through Postal ballot was as under:

Resolution 1:

| Promoter /Public | No. of Shares held | No. of votes polled | % of votes polled on outstanding shares | No. of Votes-in favour | No. of votes-against | % of votes in favour on votes polled | % of votes against on votes polled |
|------------------------------|--------------------|---------------------|---|------------------------|----------------------|--------------------------------------|------------------------------------|
| | (1) | (2) | (3)=[(2)/(1)]*100 | (4) | (5) | (6)=[(4)/(2)]*100 | (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | 785211389 | 785211389 | 100.00 | 785211389 | - | 100.0000 | - |
| Public Institutional holders | 56941551 | 24959377 | 43.83 | 24959377 | - | 100.0000 | - |
| Public-others | 204795579 | 28364620 | 13.85 | 28364620 | 5783 | 99.97961 | 0.02039 |
| Total | 1046948519 | 838535386 | 80.09 | 838535386 | 5783 | 99.99931 | 0.00069 |

Resolution 2:

| Promoter /Public | No. of Shares held | No. of votes polled | % of votes polled on outstanding shares | No. of Votes-in favour | No. of votes-against | % of votes in favour on votes polled | % of votes against on votes polled |
|------------------------------|--------------------|---------------------|---|------------------------|----------------------|--------------------------------------|------------------------------------|
| | (1) | (2) | (3)=[(2)/(1)]*100 | (4) | (5) | (6)=[(4)/(2)]*100 | (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | 785211389 | 785211389 | 100.00 | 785211389 | - | 100.0000 | - |
| Public Institutional holders | 56941551 | 24959377 | 43.83 | 24730000 | 229377 | 99.08100 | 0.91900 |
| Public-others | 204795579 | 28363948 | 13.85 | 28355672 | 8276 | 99.97082 | 0.02918 |
| Total | 1046948519 | 838534714 | 80.09 | 838297061 | 237653 | 99.97166 | 0.02834 |

Resolution 3:

| Promoter /Public | No. of Shares held | No. of votes polled | % of votes polled on outstanding shares | No. of Votes-in favour | No. of votes-against | % of votes in favour on votes polled | % of votes against on votes polled |
|------------------------------|--------------------|---------------------|---|------------------------|----------------------|--------------------------------------|------------------------------------|
| | (1) | (2) | (3)=[(2)/(1)]*100 | (4) | (5) | (6)=[(4)/(2)]*100 | (7)=[(5)/(2)]*100 |
| Promoter and Promoter Group | 785211389 | 785211389 | 100.00 | 785211389 | - | 100.0000 | - |
| Public Institutional holders | 56941551 | 24959377 | 43.83 | 24759377 | 200000 | 99.19870 | 0.80130 |
| Public-others | 204795579 | 28363779 | 13.85 | 28354366 | 9413 | 99.96681 | 0.03319 |
| Total | 1046948519 | 838534545 | 80.09 | 838325132 | 209413 | 99.97503 | 0.02497 |

Note: All the aforesaid resolutions were passed with requisite majority.

The Board had appointed Mr. Rupesh Agarwal, Partner, Chandrasekaran Associates, Company Secretaries, as a Scrutinizer to conduct the Postal Ballot voting process in a fair and transparent manner.

(iii) Proposal for Postal Ballot

There is no immediate proposal for passing any resolution through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting is required to be passed through Postal Ballot.

9. Disclosure
I. Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries,
among others that may have potential conflict with the Company's interests at large

During the period under review, the Company had not entered into material transaction with any related parties.

None of the transactions with the related parties was in conflict with the interest of the Company. The Company has made full disclosures of transactions with the related parties set out in Note No 31 of Notes on Accounts, forming part of the Annual Report.

The related party transactions are entered into based on various business exigencies, such as synergy in operations, sectoral specialization and the Company's long term strategy for sectoral investments, optimisation

of market share, profitability, legal requirements, liquidity and capital resources.

All related party transactions are in the ordinary course of business and are negotiated on arms length basis, and are intended to further the Company's interests.

The policy on materiality of related party transaction and on dealing with Related Party Transactions can be accessed at http://www.network18online.com/reports/policies/materiality_related_partytransactions_policy_Network181.pdf.

II. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

III. The Company has complied with all the mandatory requirements of the Listing Regulations.

The detailed disclosure of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of regulation 46 have made under respective heads of this Corporate Governance Report.

Further the Company has also adopted following Non-Mandatory requirements of Regulation 27 read with Part E of Schedule II to Listing Regulations.

- **Non Executive Chairman's Office**
Chairman of the Board is Non-Executive and he is given all the support required to facilitate performance of his duties.
- **Modified Options in Audit Report**
The financial statements of the Company contain no audit qualifications and adverse comment.
- **Separate posts of Chairman and CEO**
The Company has a Non-Executive Chairman.
- **Reporting of Internal Auditors**
Internal Auditors report to the Audit Committee.

IV. Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which directors and employees are free to report unethical behavior, violations of applicable laws, regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report any reportable matter directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The Policy has also been posted on the website of the Company and can be accessed at <http://www.network18online.com/reports/policies/Network18-Vigil-Mechanism-policy.pdf>.

V. Disclosure of Accounting Treatment

The financial statements for the year under review have been prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 and other applicable provisions and the relevant provisions of the Companies Act, 2013. The accounting policies have been consistently applied by the Company.

VI. Commodity Price Risks and Commodity Hedging Activities

The nature of business of the Company does not involve any such risks/ hedging activities.

VII. CEO/CFO certification

The Manager and the Chief Financial Officer of the Company give annual/quarterly certification on financial reporting and internal controls to the Board, confirming *inter alia* that the financial statements (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; (ii) together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations and that (iii) there are no transactions entered into by the Company during the year/period which are fraudulent, illegal or violative of the Company's Code of Conduct.(iv) proper internal controls for financial reporting have been established, maintained and are operating effectively.

VIII. Transfer of amounts to Investors Education and Protection Fund

The amount of Interest on fixed deposits and amounts for debenture redemption etc, which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company,

within the stipulated time, to the Investors Education and Protection Fund.

Further, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on its website, and also on the website of the Ministry of Corporate Affairs.

IX. Corporate Social Responsibility

Relevant disclosure on Corporate Social Responsibility (CSR) as required under the provisions of the Companies Act, 2013, is given in the Directors' Report forming part of the Annual Report.

The Company has different programs running for the benefit of its employees and their families. Some of them are as follows:

Family Healthcare and Insurance: In view of the rising costs of healthcare, the Company has taken a comprehensive group medical policy, covering all the employees and their families, to mitigate the risks faced by its employees.

The employee is further covered towards Life and Personal Accident. We believe such coverage further reinforces our commitment towards the well-being and welfare of our employees and their families.

Voluntary contribution in times of need: As a company we also encourage our employees to contribute money voluntarily towards supporting a colleague's dire need which could be a family crisis or a severe medical reason. The Company also steps in to help in such cases.

Support to NGOs: From time to time, the Company allows various NGOs to put stalls in the Company premises which aid the agencies to sell their products, attain membership of our employees and join hands towards the cause, donate books & clothes, etc. In time of National calamities, the Company has aided the work of various NGOs who provide on the ground support to the victims. Our employees too have stood up to support in such times.

X. Code of Conduct for Prohibition of Insider Trading

The Company has also adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders as required under 'The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Company Secretary is Compliance Officer in this regard.

10. Means of Communication

The Company has been sending physical copies of the Annual Reports, notices and other communications through the prescribed modes of postage. However, in case where email id of a member is registered, such communications are sent to the registered email id of the members.

The Quarterly and Annual Results of the Company are published in the Financial Express (English Newspapers) and Jansatta (Hindi Newspapers) and are sent to the Stock Exchanges.

The quarterly and Annual Results along with additional information are also posted on the website of the Company www.network18online.com

Official News Releases and Presentations made to Institutional Investors or to the analysts on the Company's unaudited quarterly as well as audited annual financial results, if any, are also displayed on the website of the Company www.network18online.com

The Company's website (www.network18online.com) contains a separate dedicated section 'Investor Relation' where shareholders' information is available.

The Annual Report containing, *inter alia*, Audited Financial Statement, Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporate. All periodical filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are : Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id: The Company has designated the following email-id exclusively for investor servicing/complaints:

- For queries on Annual Report:
Investors.n18@network18online.com
- For queries in respect of shares in physical mode:
nwminvestor@karvy.com

11. General Shareholder Information

Forthcoming Annual General Meeting

| | |
|--------------|---|
| Time | 11.30 a.m. (IST) |
| Venue | Yashwant Natya Mandir, Manmala Tank Road, Matunga West, Mumbai – 400 016. |
| Day and date | Thursday, September 29, 2016 |

Financial Year

April 1 to March 31

Financial Calendar: [tentative]

Tentative Calendars for declaration of results for the Financial Year 2016-17 is given below:

| Results for the quarter ending | Date of Meeting/ Declaration |
|--------------------------------|------------------------------|
| June 30, 2016 | 2nd week of July 2016 |
| September 30, 2016 | 3rd week of October 2016 |
| December 31, 2016 | 3rd week of January 2016 |
| March 31, 2017 | 3rd week of April 2017 |
| Annual General Meeting | September 30, 2017 |

Dates of Book Closure: The share transfer books and register of members of the Company shall remain closed from September 26, 2016 to September 29, 2016 (both days inclusive), for the purpose of Annual General Meeting.

Dividend Payment date: No Dividend is proposed/declared during the year.

Outstanding GDRs/ADRs/ and Convertible Bonds, Conversion

- The Company has not issued any ADRs/GDRs during the year under review.
- There is no outstanding GDRs/ADRs and Convertible Bonds.

Dematerialization of shares

The Company's shares are admitted into both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 99.98 % of the total issued capital of the Company is held in dematerialized form.

Listing on Stock Exchanges and Stock Code

Equity Shares of the Company are listed and traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

| Stock Exchange and Address | Code/Symbol – Equity Shares |
|--|-----------------------------|
| BSE P J Towers Dalal Street, Mumbai – 400 001 | 532798 |
| NSE Exchange Plaza, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai- 400 051 | NETWORK18 |
| ISIN of Equity Shares | INE870H01013 |

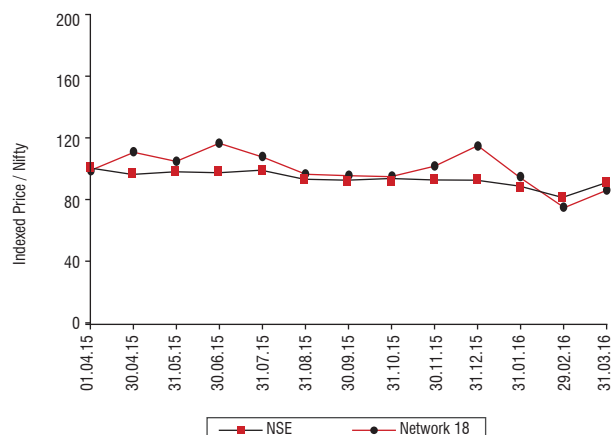
The Company has paid the annual listing fees to the Stock Exchanges.

Market Price Data: High Low Rates of Equity Shares during each month in the last financial year are as follows:

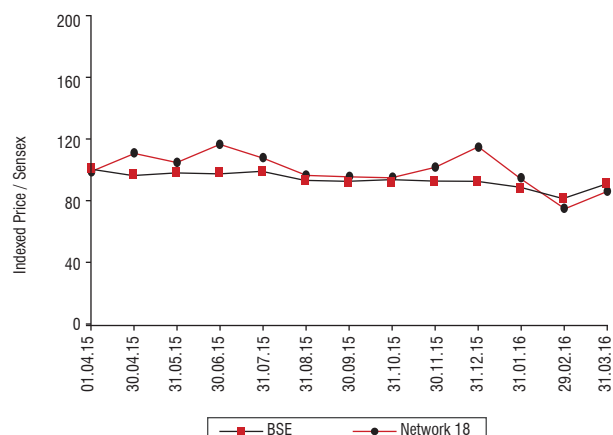
| Month | ₹ Per Share | | | |
|-----------------|-------------|-------|-------|-------|
| | High | | Low | |
| | NSE | BSE | NSE | BSE |
| April' 2015 | 67.25 | 67.25 | 49.80 | 49.80 |
| May' 2015 | 60.50 | 61.00 | 53.00 | 53.00 |
| June' 2015 | 61.25 | 61.20 | 49.50 | 49.40 |
| July' 2015 | 63.50 | 63.35 | 53.00 | 53.00 |
| August' 2015 | 59.35 | 59.40 | 47.05 | 47.25 |
| September' 2015 | 51.70 | 51.65 | 46.00 | 46.00 |
| October' 2015 | 53.25 | 53.25 | 47.85 | 47.80 |
| November' 2015 | 52.80 | 52.70 | 47.00 | 46.25 |
| December' 2015 | 64.00 | 63.90 | 50.10 | 50.00 |
| January' 2016 | 60.05 | 60.00 | 45.25 | 45.25 |
| February' 2016 | 49.25 | 49.20 | 38.30 | 38.25 |
| March' 2016 | 45.90 | 45.80 | 38.70 | 39.00 |

*Source: This information is compiled from the data available on the website of the BSE and NSE.

Comparison of the stock performances with NSE NIFTY Stock Performances [Indexed to 100 as on April 1, 2015]



Comparison of the stock performances with BSE SENSEX Stock Performances [Indexed to 100 as on April 1, 2015]



The details of Company's Registrars & Share Transfer Agents is as given below:

Registrars & Share Transfer Agents

Karvy Computershare Private Limited
Karvy Selenium, Tower B, Plot 31-32, Financial District, Gachibowli
Nanakramguda, Hyderabad - 500 032,
Ph: +91 40 - 6716 1700, Fax: +91 40 - 67161680
email : nwminvestor@karvy.com, Website: www.karvy.com
Toll Free : 1800-425-8998

Share Transfer System

Share transfers in physical form are registered and returned within the stipulated time, if documents are complete in all respects.

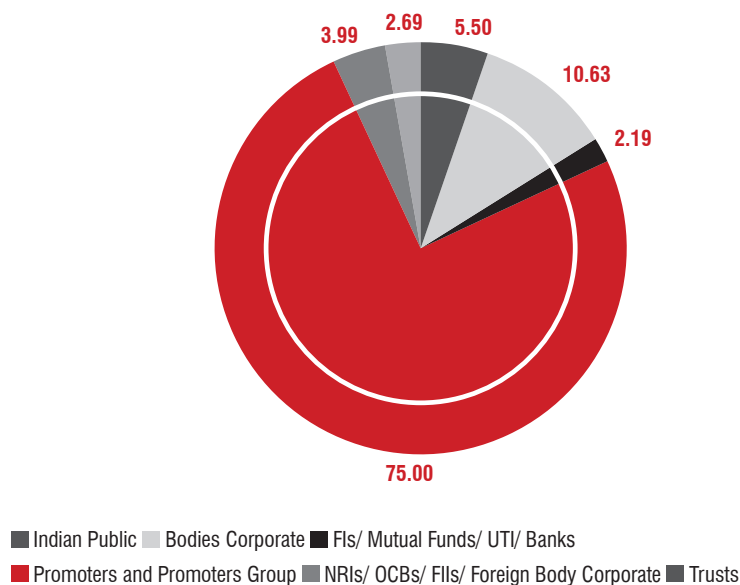
Share transfers are processed and share certificates duly endorsed are delivered within a period of fifteen days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer or transmission of upto 1000 equity shares per case to the Manager, Chief Financial Officer and Company Secretary, jointly by any two. A summary of transfer/transmission of securities of the Company so approved is placed at every Board Meeting. The Company obtains from Company Secretary in Practice half – yearly certificate to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with Stock Exchanges.

The shares of the Company are freely tradable on BSE and NSE.

Distribution of shareholding as on March 31, 2016

| S. No. | Category | No. of Equity shareholders | No. of Equity shares | Percentage |
|--------|--|----------------------------|----------------------|------------|
| 1. | Indian Public | 73461 | 57652561 | 5.50 |
| 2. | Bodies Corporate | 1336 | 111303937 | 10.63 |
| 3. | FIs/ Mutual Funds/ UTI/ Banks | 27 | 22867585 | 2.19 |
| 4. | Promoters and Promoters Group | 16 | 785211389 | 75.00 |
| 5. | NRIs/ OCBs/ FIIs/ Foreign Body Corporate | 552 | 41769653 | 3.99 |
| 6. | Trusts | 12 | 28143394 | 2.69 |
| | Total | 75404 | 1046948519 | 100 |

Graphic presentation of the Shareholding Pattern as on March 31, 2016



Distribution Schedule as on March 31, 2016

| S. No. | Category | No. of Holders | % of Holders | Amount (In ₹) | % of Holding |
|--------|----------------|----------------|--------------|----------------------|--------------|
| 1 | Upto 5000 | 69411 | 92.05 | 47573290.00 | 0.91 |
| 2 | 5001 – 10000 | 2506 | 3.32 | 19644485.00 | 0.38 |
| 3 | 10001 - 20000 | 1384 | 1.84 | 20340700.00 | 0.39 |
| 4 | 20001 - 30000 | 731 | 0.97 | 18323600.00 | 0.35 |
| 5 | 30001 - 40000 | 272 | 0.36 | 9616925.00 | 0.18 |
| 6 | 40001 - 50000 | 254 | 0.34 | 12105560.00 | 0.23 |
| 7 | 50001 - 100000 | 371 | 0.49 | 26841095.00 | 0.51 |
| 8 | 100001 & ABOVE | 475 | 0.63 | 5080296940.00 | 97.05 |
| | Total | 75404 | 100 | 5234742595.00 | 100 |

Compliance Certificate

Certificate from M/s NKJ & Associates, Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under listing Regulations is attached with this report.

Directors' Profile

A brief resume of Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorships, Memberships / Chairmanships of Board Committees and their shareholding in the Company are given below:

(a) **Mr. Adil Zainulbhai** (DIN: 06646490) aged about 63 years, is currently Chairman of Quality Council of India. He retired as Chairman of McKinsey, India after 34 years at McKinsey of which the last 10 years were spent in India. Mr. Adil has also co-edited the book, 'Reimagining India' which featured 60 authors including prominent businessmen, academics, economists, authors and journalists. The book has been #1 in non-fiction in India on its release and #2 on Amazon's International Business List in the US. Mr. Adil grew up in Bombay and graduated in Mechanical Engineering from the Indian Institute of Technology. He also has an M.B.A. from Harvard Business School. Mr. Zainulbhai is very active in community and social causes. He is a Board member of the Board of Trustees at Saifee Burhani Upliftment Trust (re-developing Bhandi Bazaar in Mumbai), Wockhardt Foundation, Piramal Swasthya (Health Management Research Institute). He was President of Harvard Business School Alumni Association of India and on the Global Advisory Board of the Booth School of Business at University of Chicago.

Mr. Adil Zainulbhai joined the Board of the Company on July 7, 2014. He is Chairman of Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee and Member of the Nomination and Remuneration Committee of the Company. He does not hold any shares of the Company in his name.

He is also Chairman of the Board of TV18 Broadcast Limited (Listed). He is an Independent Director on the Board of Reliance Industries Limited (Listed), Reliance Jio Infocomm Limited (Listed), Larsen & Toubro Limited (Listed), Cipla Limited (Listed) Reliance Retail Ventures Limited and TV18 Home Shopping Network Limited.

He is Chairman of Audit Committee, CSR Committee and Risk Management Committee and Member of Nomination and Remuneration Committee of TV18 Broadcast Limited. He is Chairman of Human Resources Nomination & Remuneration Committee and Risk Management Committee and Member of the Audit Committee of Reliance Industries Limited. He is Chairman of Audit Committee and Corporate Social Responsibility Committee and Member of Nomination & Remuneration Committee of Reliance Jio Infocomm Limited and Reliance Retail Ventures Limited. He is Chairman of Nomination & Remuneration Committee and Member of Corporate Social Responsibility

Committee and Risk Management Committee of Cipla Limited. He is Member of Audit Committee and Nomination & Remuneration Committee of TV18 Home Shopping Network Limited.

He is not related to any other Director or Key Managerial Personnel of the Company.

(b) **Mr. Deepak Shantilal Parekh** (DIN:00009078), 71 years, is the Chairman of Housing Development Finance Corporation Limited. In 1970, Mr. Parekh began his career with Ernst & Ernst Management Consultancy Services in New York. Thereafter he worked with Grindlays Bank and Chase Manhattan Bank for about three years each prior to joining HDFC in 1978. His astute business acumen and far-sightedness has not only made HDFC the leader in Mortgages but created a robust mortgage industry in India. His vision has transformed HDFC into a financial conglomerate with presence in Banking, Asset Management, Life Insurance, General Insurance, Real Estate Venture Fund and Education finance.

Mr. Parekh has been widely consulted by the Government of India on a range of issues of national importance and has been a member of various Government appointed Advisory Committees and Task Forces for, housing, financial services, capital markets, telecom, energy, railways and infrastructure sector reforms.

Some of the international organizations which Mr. Parekh is associated with in an advisory capacity, include Indo US CEO Forum, City of London, Indo – German Chamber of Commerce (IGCC), etc.

A man with a mission, Mr. Parekh's philosophy on Corporate Social Responsibility is simple yet profound. He believes that if a company earns, it must also return to the society and that companies owe a responsibility not just to shareholders, but also to all its stakeholders.

Mr. Parekh is a recipient of the Padma Bhushan for his contributions to the national economy and public policy. Indian Industry, Government, International Organisations and Media have also honoured him with several awards including 'Bundesverdienstkreuz' Germany's Cross of the Order of Merit, one of the highest distinction by the Federal Republic of Germany in 2014, "Knight in the Order of the Legion of Honour", one of the highest distinction by the French Republic in 2010, First international recipient of the Outstanding Achievement Award by Institute of Chartered Accountants in England and Wales, in 2010.

Mr. Parekh is a Commerce Graduate and holds an FCA degree from England and Wales.

Mr. Parekh joined the Board of the Company on July 7, 2014. He is also a member of Audit Committee and Nomination and Remuneration Committee. He does not hold any shares of the Company in his name.

Besides HDFC Group Companies, namely Housing Development Finance Corporation Ltd. (Listed), HDFC Asset Management Company Ltd. (Listed), HDFC Standard Life Insurance Company Ltd., HDFC ERGO General Insurance Company Ltd., Mr. Parekh is on the Board of several leading corporations across diverse sectors. He is the Non-Executive Chairman of BAE Systems India (Services) Pvt. Ltd., GlaxoSmithKline Pharmaceuticals Ltd. (Listed), Siemens India Ltd. (Listed). He is also on the Boards of Mahindra & Mahindra Ltd. (Listed), The Indian Hotels Company Ltd. (Listed), and on the international boards of DP World Limited, Vedanta Resources PLC, London, Fairfax India holdings Corporation and Economic Zones World FZE. Mr. Parekh is also Chairman of HT Parekh Foundation and Director of Breach Candy Hospital Trust and Indian Institute for Human Settlements. In addition he is also on the Advisory Boards of several Indian corporates and MNC's. Mr. Parekh is also the Chairman of the Audit Committee of Mahindra & Mahindra Limited and HT Parekh Foundation and member of the Audit Committee of GlaxoSmithKline Pharmaceuticals Limited, The Indian Hotels Co. Ltd. and Siemens Limited. He is the member of the Remuneration Committee of Siemens Limited. He is a Chairman of Corporate Social Responsibility Committee of Housing Development Finance Corporation Ltd. He is the Chairman of Stakeholders Relationship Committee of GlaxoSmithKline Pharmaceuticals Limited.

He is not related to any other Director, or Key Managerial Personnel of the Company.

- (c) **Mr. Dhruv Subodh Kaji** (DIN:00192559), 65 years, served as Finance Director of Raymond Ltd. Mr. Kaji has an experience of more than 30 years. Mr. Kaji is a Chartered Accountant. He holds a Bachelor's degree in Commerce from University of Mumbai and is an Associate Member of the Institute of Chartered Accountants of India. He is a Financial Advisor and Management Consultant. He has experience in evaluating and guiding business projects in India and abroad. His expertise lies in strategic planning.

Mr. Kaji joined the Board of the Company as an independent director on November 27, 2014. He is a Chairman of the Nomination and Remuneration Committee and Member of Audit Committee and Risk Management Committee of the Company. He does not hold any shares of the Company in his name.

He is a director on the board of Diamines and Chemicals Limited (Listed) where he is also member of the Audit Committee. He is also Director on the Board of TV18 Broadcast Limited (Listed)

where he is also Chairman of the Nomination & Remuneration Committee, Member of the Audit Committee and Member of Corporate Social Responsibility Committee and Stakeholders' Relationship Committee. He is a Director on the Board of Superadd Trade Private Limited. He has served as a Director of Colorplus Fashions Limited and Balaji Telefilms Limited, he has been Executive Director of Pinesworth Holdings Pte. Ltd., Singapore.

He is not related to any other Director or Key Managerial Personnel of the Company.

- (d) **Ms. Nirupama Rao** (DIN:06954879), 65 years, holds a Bachelor's Degree in English Honors from Mount Carmel College, Bangalore University and has a Master's Degree in English Literature from the Marathwada University of Maharashtra. She joined the Indian Foreign Service in 1973. She served as India's first woman spokesperson at the Foreign Office in New Delhi, and also as the country's second woman Foreign Secretary, the highest post in the Foreign Service, from 2009 to 2011. She has had the distinction of serving in the major world capitals of Washington, Moscow and Beijing. She has served as India's Ambassador to China and to the United States. Her expertise lies in the formulation and practice of government policy and in global issues and negotiation.

Ms. Rao is on the Board of TV18 Broadcast Limited (Listed), KEC International Limited (Listed), ITC Limited (Listed), and Viacom18 Media Private Limited. Ms. Rao is a member of the Audit Committee and Nomination and Remuneration Committee of Viacom18 Media Pvt. Ltd.,

Ms. Nirupama Rao joined the Board of the Company on March 25, 2015. She does not hold any shares of the Company in her name.

She is not related to any other Director, or Key Managerial Personnel of the Company.

- (e) **Mr. Rajiv Krishan Luthra** (DIN:00022285), 59 years, is the Founder & Managing Partner of Luthra & Luthra Law Offices – one of the largest firm in India. He has over 31 years of experience in advising clients on a vast range of commercial transactions including infrastructure projects. Mr. Luthra has been conferred with Alumni of Harvard Law School and a Fellow of the British Commerce Society and the Royal Geographical Society. Mr. Luthra is a member of SEBI's High Level Committee for 'Reviewing Insider Trading Regulations' and SEBI's Committee on 'Rationalization of Investment Routes and Monitoring Foreign Portfolio Investments'. Mr. Luthra is a member of the Board of

Governors of Indian Institute of Corporate Affairs and a member of Advisory Board of National Law University, Jodhpur. Mr. Luthra is also a member of the Internal Quality Assurance Cell of NALSAR University of Law, Hyderabad. His expertise lies in advising on vast range of commercial/legal transactions.

Mr. Luthra joined the Board of the Company on November 27, 2014 and He is a member of CSR Committee. He does not hold any shares of the Company in his name.

He is also an Independent Director on the Board of TV18 Broadcast Limited (Listed), DLF Limited (Listed), Mylan Laboratories Limited (Listed) and Lodhi Property Company Limited. He is Director on the Board of Mylan Laboratories India Private Limited, Knowledge Cloud Private Limited, Paani Foundation, Singapore International Arbitration Centre and Symphony International Holdings Limited.

He is member of Stakeholders' Relationship Committee and Corporate Governance Committee of DLF Limited. He is the Chairman of Audit Committee and a member of Nomination & Remuneration Committee and Corporate Social Responsibility Committee of Mylan Laboratories Limited. He is member of Audit Committee and Nomination and Remuneration Committee of Lodhi Property Company Limited. He is the Chairman of Audit Committee of Symphony International Holdings Limited. He is Member of Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of TV18 Broadcast Limited.

He is not related to any other Director, or Key Managerial Personnel of the Company.

- (f) **Mr. Rohit Bansal** (DIN:02067348), 49 years, is an expert on the media. He has a B.A. (Hons) in history from St. Stephen's College and an AMP (with alumni status) from Harvard Business School. As a British Chevening scholar funded by the FCO, he has undertaken the young print journalists programme at University of Westminster. He has also completed the business journalists programme at The Times Centre for Media Studies, New Delhi, and attended The European Journalism Centre, Maastricht in a programme for Asian Editors. He is an alum of the European Union Visitors Programme and a distinguished fellow at the Observer Research Foundation (ORF) New Delhi. He is an honorary mentor for GenNext Ventures. Mr. Bansal has served on the Board of the News Broadcasters Association (NBA) and has been Resident Editor of The Financial Express, New Delhi; Managing Editor (and later COO) of Independent News Service; Editor-Business, Zee News; Special Correspondent, Television 18; and Senior Business Correspondent, The Times of India. He

has been a Trustee on the St Stephen's Alumni Foundation. Mr. Bansal, in collaboration with Hammurabi & Solomon, has advised CEOs across the spectrum of strategy, regulation, advocacy and the media. He served as Treasurer of The Editors Guild of India and Foundation of Media Professionals. His analysis on politico-economic issues appears on various media platforms.

Besides Network18 Media & Investments Limited, Mr. Bansal also serves on the board of TV18 Broadcast Limited (Listed), TV18 Home Shopping Network Limited, NW18 HSN Holdings Plc., AETN18 Media Private Limited, Viacom18 Media Private Limited, Infomedia Press Limited (Listed), Panorama Television Private Limited, Indiacast Media Distribution Private Limited, Prism TV Private Limited and IBN Lokmat News Private Limited.

Mr. Bansal joined the Board of the Company on July 7, 2014. He is Member of Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, CSR Committee and Risk Management Committee of the Company. He does not hold any shares of the Company in his name.

He is Chairman of Stakeholders' Relationship Committee of Infomedia Press Limited, member of Audit Committee of Infomedia Press Limited, member of Nomination & Remuneration Committee of Infomedia Press Limited, Indiacast Media Distribution Private Limited and Panorama Television Private Limited, member of Corporate Social Responsibility Committee of Panorama Television Private Limited and member of Accounts Committee and Allotment Committee of TV18 Home Shopping Network Limited. He is also Chairman of Stakeholders' Relationship Committee and member of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee of TV18 Broadcast Limited. He is also member of Audit Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of Viacom18 Media Private Ltd.

He is not related to any other Director, or Key Managerial Personnel of the Company.

- (g) **Mr. Vinay Chand Chhajlani** (DIN: 00078665), 53 years, holds BE (Hons) in EEE from BITS Pilani India and MS in Printing Technology from Rochester Institute of Technology (RIT) USA.

Mr. Chhajlani, after a brief career in Technology and Planning in a leading Printing Company in Boston moved back to India. He founded SUVI Information Systems Private Limited, IT Solution Company in Indore in 1988. SUVI later renamed Diaspark Infotech Private Limited is a dual shore IT Services Company with operations in USA and India. He founded Webdunia.Com (India)

Private Limited in 2000, a leading Indian Language Portal and Internet Technology Company.

He has keen interest in Technology and Media space with which he has been involved in various Executive and Strategic capacity for last 20 years. His expertise lies in IT consulting, Business Management and New Product initiatives in Media and Digital Technologies.

Mr. Chhajlani joined the Board of the Company on July 7, 2014. He is Member of the CSR Committee and Stakeholders' Relationship Committee of the Company. He holds 10,000 shares of the Company.

He is on the Board of Infomedia Press Limited (Listed), Panorama Television Private Limited, TV18 Home Shopping Network Limited, Prism TV Private Limited, AETN18 Media Private Limited, IBN Lokmat News Private Limited, Diaspark Infotech Private Limited, P.T. Education and Training Services Private Limited, Mid-India Infrastructure Private Limited, Naidunia Entertainment Private Limited, Shradha Buildcon Private Limited, Webdunia.com (India) Private Limited, Truworth Holdings Pvt Ltd., Navratan Buildtech Private Limited, Greycells18 Media Limited, Print Pack Private Limited and Jewels Buildcon Private Limited.

He is not related to any other Director, or Key Managerial Personnel of the Company.

- (h) **Mr. Prasoon Joshi** (DIN: 01260545), 49 years, is a Padma Shri Awardee and an acclaimed Advertising Industry Leader. Mr. Joshi exemplifies the rare breed of creativity and leadership. An Advertising and Communication icon who's built Mega brands, a Writer honoured with the prestigious National award by the President of India, he's garnered glory at many an International platform as well. Mr. Joshi has also been designated a Young Global Leader by the World Economic Forum. He was the Jury President of the Cannes International Festival, 2014 for its Titanium Category, the first Asian to be honoured so. Mr. Joshi is an expert and veteran in Media and Advertisement industry. He is credited with marrying creativity with scale and

giving McCann's work in India a distinct cultural edge making it a powerhouse that has the pulse of the market and consumer. His work, be it mainstream brands like Coca Cola, Mastercard, J & J, Perfetti, Nestle, GM, Metlife, Pears, StarTV, Maggi re-launch, or National ones like NDTV, Marico, Dabur, Britannia has gone on to make impact on the minds and in the market. His socially relevant campaigns like Malnutrition Polio eradication, Women Empowerment, Ministry of tourism, the Swachh Bharat Abhiyan (Clean India) have all won accolades and found deep and powerful consumer connect. He was also one of the key architects for the National Election campaign of 2014. His creativity as a Writer – Poet permeates the arena of Indian Feature Films where he is celebrated and award winning Song and Screenwriter for socially relevant and inspirational films like:- Taare Zameen Par, Rang De Basanti, Chittagong, Bhaag Milkha Bhaag & many more. Industry Awards like Filmfare, Screen, IFAA and additionally the National Awards have been added to his list of honours. Mr. Joshi is also a columnist of branding and social issues. Leading business publications and regional dailies carries his articles. In 2015 Mr. Joshi was conferred the prestigious Padma Shri Award by the Government of India. Prasoon was cited for his cultural contributions to poetry, cinema and communications. Through his multifaceted pursuits and Content creation across the fields of Advertising, Writing and Music he has positively impacted the consciousness and has emerged as an iconic socio cultural voice that resonates across segments.

Mr. Prasoon Joshi Joined the Board of the Company on January 15, 2016. He does not hold any shares of the Company in his name.

He is currently the Chairman of McCann World Group Asia Pacific and its' CEO in India. He is in the Board of End to End Marketing Solutions Private Limited, Reliance Mediaworks Limited, Associated Corporate Consultants India Private Limited, McCann Erickson India Private Limited and Result Services Private Limited.

He is not related to any other Director, or Key Managerial Personnel of the Company.

Registered Office Address**Network18 Media & Investments Limited**

Empire Complex, 1st Floor, 414 Senapati Bapat Marg,

Lower Parel, Mumbai – 400 013

Tel: +91 22 40019000

Fax: +91 22 66546925

CIN: L65910MH1996PLC280969

Address for Correspondence/Corporate Office**Network18 Media & Investments Limited**

Express Trade Tower, Plot No.15-16

Sector-16-A, Noida, U. P. - 201 301

Tel: +91 120 4341818

Fax: +91 120 4324107

E-mail: investors.n18@network18online.com

Compliance Officer:

Mr. Yug Samrat

Company Secretary**Network18 Media & Investments Limited**

Express Trade Tower,

Plot No.15-16, Sector 16-A, Noida, U.P. - 201 301

Tel: +91 120 4341818

Fax: +91 120 4324107

E-mail: investors.n18@network18online.com

Registrars & Share Transfer Agents**Karvy Computershare Private Limited**

Karvy Selenium, Tower B, Plot 31-32, Financial District,

Gachibowli, Nanakramguda, Hyderabad - 500 032,

Ph: +91 40 - 6716 1700, Fax: +91 40 - 67161680

email: nwminvestor@karvy.com,

website: www.karvy.com

Toll Free No. : 1800-425-8998

Certificate on Compliance with the conditions of Corporate Governance under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

To the Members,

Network18 Media & Investments Limited

1. We have reviewed the implementation of the corporate governance procedures by Network18 Media & Investments Limited (the Company) during the year ended March 31st 2016, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. On the basis of our review and according to the best of our information and according to the explanations given to us, the Company has been complying with the conditions of Corporate Governance, as stipulated in the regulation 17 to 27 and clause (b) to (i) of sub-regulations (2) of regulation 46 and para C and D of schedule V of the SEBI (Listing Obligations And Disclosures Requirements) Regulations, 2015.

For **NKJ & Associates**
Company Secretaries

Neelesh Kumar Jain
Proprietor
Membership No. FCS 5593
Certificate of Practice No. 5233

Place: New Delhi
Date: 20.04.2016

Independent Auditor's Report

To the Members of Network18 Media & Investments Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Network18 Media & Investments Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

6. An audit involves performing procedures to obtain audit

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

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, we report that:

- we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- the standalone financial statements dealt with by this report are in agreement with the books of account;
- in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

- e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 20 April 2016 as per Annexure II expressed unmodified opinion; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. as detailed in Note 34 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **B P Singh**
Partner
Membership No.: 70116

Place : Noida
Date : 20 April 2016

Annexure I

To the Independent Auditor's Report of even date to the members of Network18 Media & Investments Limited on the Financial Statements for the year ended 31 March 2016

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties are held in the name of the Company.
- (ii) The entire inventory of the Company is lying with third parties for which written confirmations have been obtained by the management as at the year-end.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 and other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and services and are of the opinion that, prima facie, the prescribed

accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company has no loans or borrowings payable to a financial institution or government and no dues payable to debentures holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion, the provisions of section 197 of the Act read with Schedule V to the Act is not applicable to the Company as

the Company does not pay any remuneration to the directors. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.

- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiook & Co LLP**
(formerly *Walker, Chandiook & Co*)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **B P Singh**
Partner
Membership No.: 70116

Place : Noida
Date : 20 April 2016

Annexure II

To the Independent Auditor's Report of even date to the members of Network18 Media & Investments Limited on the Standalone Financial Statements for the year ended 31 March 2016

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the standalone financial statements of Network18 Media & Investments Limited (the 'Company') as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued

by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing ('standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,

accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiook & Co LLP**
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **B P Singh**
Partner
Membership No.: 70116

Place : Noida
Date : 20 April 2016

Balance Sheet

As at 31 March 2016

₹ in lakhs

| | Notes | As at 31 March 2016 | As at 31 March 2015 |
|--|-------|------------------------|------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 2 | 52,347.43 | 52,342.43 |
| Reserves and surplus | 3 | 2,10,058.50 | 2,19,127.70 |
| Non-current liabilities | | | |
| Long-term borrowings | 4 | 13.47 | 47.82 |
| Other long-term liabilities | 5 | - | 29.32 |
| Long-term provisions | 6 | 291.47 | 307.25 |
| Current liabilities | | | |
| Short-term borrowings | 7 | 64,623.34 | 55,036.05 |
| Trade payables | 8 | | |
| Due to micro and small enterprises | | - | - |
| Others | | 2,830.11 | 2,735.97 |
| Other current liabilities | 9 | 1,429.41 | 1,684.45 |
| Short-term provisions | 10 | 21,793.34 | 21,779.57 |
| | | 3,53,387.07 | 3,53,090.56 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 11 | 1,361.82 | 985.22 |
| Intangible assets | 12 | 1,036.53 | 239.02 |
| Intangible assets under development | | 125.35 | 147.71 |
| Non-current investments | 13 | 3,26,568.58 | 3,28,703.64 |
| Long-term loans and advances | 14 | 18,344.73 | 17,619.02 |
| Other non-current assets | 15 | 822.81 | 553.33 |
| Current assets | | | |
| Current investments | 16 | - | - |
| Inventories | 17 | 70.48 | 63.39 |
| Trade receivables | 18 | 2,735.09 | 2,054.49 |
| Cash and bank balances | 19 | 637.86 | 319.19 |
| Short-term loans and advances | 20 | 1,196.65 | 1,711.80 |
| Other current assets | 21 | 487.17 | 693.75 |
| | | 3,53,387.07 | 3,53,090.56 |
| Significant accounting policies | | | |
| See accompanying notes forming part of these financial statements. | | | |

This is as per our report of even date.

For **Walker Chandiook & Co LLP**
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Statement of Profit and Loss

For the year ended 31 March 2016

| | Notes | Year ended 31 March 2016 | Year ended 31 March 2015 |
|--|-------|-----------------------------|-----------------------------|
| ₹ in lakhs | | | |
| Revenue | | | |
| Revenue from operations | 22 | 6,729.93 | 7,432.07 |
| Other income | 23 | 900.99 | 1,238.55 |
| Total revenue | | 7,630.92 | 8,670.62 |
| Expenses | | | |
| Cost of raw materials consumed | 24 | 200.73 | 205.85 |
| Employee benefits expense | 25 | 4,313.23 | 3,399.40 |
| Finance costs | 26 | 5,283.34 | 5,752.52 |
| Depreciation and amortisation expense | 27 | 583.47 | 445.48 |
| Other operating expenses | 28 | 6,346.25 | 5,649.84 |
| Total expenses | | 16,727.02 | 15,453.09 |
| Loss before exceptional items | | (9,096.10) | (6,782.47) |
| Exceptional items | 29 | - | 61,972.70 |
| Loss for the year | | (9,096.10) | (68,755.17) |
| Earnings per share (Basic and diluted) | 30 | (0.87) | (6.57) |
| (Face value of ₹ 5 each) | | | |
| Significant accounting policies | | | |
| See accompanying notes forming part of these financial statements. | | | |

This is as per our report of even date.

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Cash Flow Statement

For the year ended 31 March 2016

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|---|-----------------------------|-----------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Loss for the year | (9,096.10) | (68,755.17) |
| Adjustments for : | | |
| Depreciation and amortisation expense | 583.47 | 499.49 |
| Loss on disposal of fixed assets | 34.89 | 2.14 |
| Reversal of employee stock compensation expenses | - | (36.69) |
| Finance costs | 5,283.34 | 5,752.52 |
| Bad debts/balances written off/provided for | 304.07 | 110.23 |
| Excess provision/sundry balances written back | (318.07) | - |
| Profit on sale of current investments | - | (126.29) |
| Provision for diminution in value of Investment | - | 20,810.95 |
| Fixed assets written off | - | 458.97 |
| Provision for doubtful advances | - | 39,886.77 |
| Interest income | (324.37) | (673.81) |
| Operating loss before working capital changes | (3,532.77) | (2,070.89) |
| Adjustments for : | | |
| Changes in assets other than fixed assets and investments | (403.01) | 152.32 |
| Changes in liabilities other than borrowings | 94.07 | (1,742.54) |
| Cash generated used in operations | (3,841.72) | (3,661.11) |
| Taxes paid (net of refund) | (278.81) | (281.30) |
| Cash used in operating activities (A) | (4,120.53) | (3,942.41) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets (including capital advances and intangible assets under development) | (1,861.44) | (739.42) |
| Sale of fixed assets | 60.07 | 3.76 |
| Sale of long-term investments: | 2,345.06 | 2,740.00 |
| Sale of current investments | - | 7,091.29 |
| Purchase of long-term investments: | (210.00) | (6,155.43) |
| Debenture application money paid | (300.00) | - |
| (Investment in)/redemption of fixed deposits with banks | (282.72) | 794.65 |
| (Increase)/decrease in other bank balances | (1.65) | 13.43 |
| Interest received | 55.00 | 414.32 |
| Cash flow from/(used in) investing activities (B) | (195.68) | 4,162.60 |

Cash Flow Statement

For the year ended 31 March 2016

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|---|-----------------------------|-----------------------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest paid | (5,313.35) | (8,377.46) |
| Proceeds from issue of equity shares (including securities premium) | 31.90 | 114.57 |
| Repayment of borrowings | (63.25) | (11,026.12) |
| Payment of unpaid dividend | (4.42) | (6.58) |
| Proceeds from/ (repayment) of unclaimed matured deposits | 112.34 | (678.58) |
| Proceeds from borrowings | 9,587.29 | 14,020.29 |
| Cash flow from/ (used in) financing activities (C) | 4,350.51 | (5,953.88) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 34.30 | (5,733.69) |
| Cash and cash equivalents as at the beginning of the year | 314.05 | 6,047.74 |
| Cash and cash equivalents as at the end of the year | 348.35 | 314.05 |

Components of cash and bank balances

| Cash and cash equivalents | | |
|--|---------------|---------------|
| Balance with banks | | |
| in current accounts | 73.21 | 313.85 |
| in deposit accounts | 192.70 | - |
| Cheques on hand | 82.31 | - |
| Cash on hand | 0.13 | 0.20 |
| | 348.35 | 314.05 |
| Other bank balances | | |
| Unpaid dividend accounts | - | 1.36 |
| Unpaid zero coupon partly convertible debenture accounts | - | 3.08 |
| Unpaid right issue money | - | 0.70 |
| Unpaid non-cumulative convertible redeemable preference shares account | 6.79 | - |
| Balance with bank towards deposits which remain unclaimed | 282.72 | - |
| | 289.51 | 5.14 |
| Cash and bank balances as per Note 19 | 637.86 | 319.19 |
| Significant accounting policies | | |
| See accompanying notes forming part of these financial statements. | | |

This is the cash flow statement referred to in our report of even date.

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

1. Basis of preparation

The financial statements have been prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The accounting policies have been consistently applied by Network18 Media & Investments Limited (the 'Company').

1.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India ('Indian GAAP') requires judgments, estimates and assumptions to be made that effect the reported amount of assets and liabilities, disclosure of contingent liabilities and the reported amount of income and expenses during the year. Difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

b. Revenue recognition

- i. Advertising and sponsorship revenue from websites is recognised proportionately over the contractual period of advertisement, commencing when the advertisement is placed on the website, unless the Company has to meet performance conditions in which case revenue is recognised using the proportionate completion method. Advertising revenue from magazines is recognised in the period in which the magazines are delivered and are accounted net of commission and discounts. Revenue from sponsorships of event is recognised after the completion of event.
- ii. Revenue from mobile short messaging and other related services are recognised based on usage of services by the mobile subscribers and share of revenue agreed with the mobile network operators.
- iii. Sale of magazines includes revenue from circulation of magazines and subscription of magazines. Revenue from circulation of magazines includes sales to retail outlets/newsstands, which are subject to returns. The Company records these retail sales upon delivery, net of estimated returns. These estimated returns are based on historical return rates and are revised as necessary based on actual

returns. Revenue from subscription of magazines is recognised on delivery of magazines to subscribers.

- iv. Transactions that involve the exchange of goods or services for other goods or services in respect of web operations are accounted for in accordance with Guidance Note on Accounting for Dot-com Companies issued by the Institute of Chartered Accountants of India (ICAI). Barter transactions are recorded at fair value, being the value at which similar transactions are executed with other parties.
- v. Revenue from sale of stalls at exhibitions organised by the Company is recognised after completion of exhibition.
- vi. Business support service income is recognised after rendering of services.
- vii. Dividend income is accounted for when the right to receive dividend is established.
- viii. Profit / loss on sale of investments are computed on the basis of weighted average cost on date of disposal of investments.
- ix. Interest income is recognised on time proportionate basis, taking into account the amount outstanding and the rate applicable.

c. Fixed assets

Tangible assets

Tangible assets are stated at their original cost of acquisition and installation less accumulated depreciation and accumulated impairment, if any. All direct expenses attributable to acquisition and installation of assets are capitalised.

Intangible assets

Acquired brands/domain names and computer software are capitalised at cost of acquisition and disclosed as intangible assets and are stated at their original cost less accumulated amortisation and accumulated impairment, if any.

Website development costs that provide additional functions or features to the Company's website are capitalised. Maintenance expenses or costs that do not result in new features or functions are expensed as incurred.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

d. Depreciation / amortisation

Depreciation on fixed assets is provided on straight-line basis as per Schedule II of the Act.

Intangible assets are amortised on a straight line basis over the estimated useful economic life.

e. Inventory

Inventory is valued as follows:

Raw materials: Lower of cost and net realisable value. Cost of raw materials consists of purchase cost and non-cenvatable taxes. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-progress and finished goods: Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

f. Impairment of tangible and intangible assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g. Investments

Current investments are carried at lower of cost and quoted / fair value. Long-term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

h. Leases

Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under

operating leases are recognised in the Statement of Profit and Loss on a straight-line basis, over the lease term.

i. Employee benefits

Provident Fund

The Company's Employees Provident Fund scheme is a defined contribution plan. The Company's contribution to the Employees' Provident Fund is charged to the Statement of Profit and Loss during the period in which the employee renders the related service.

Gratuity

The Company provides for gratuity, a post-employment defined benefit plan covering eligible employees.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method performed by an independent actuarial, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation is based on the market yields on government securities as at the balance sheet date. Actuarial gains/losses are recognised immediately in the Statement of Profit and Loss. Gain and loss on curtailment or settlement are recognised when the curtailment or settlement occurs.

Compensated absences

Benefits comprising long term compensated absences constitute other long term employee benefits. The liability for compensated absences is determined using the Projected Unit Credit Method, on the basis of an actuarial valuation performed by an independent actuarial at the period end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gain and loss on curtailment or settlement are recognised when the curtailment or settlement occurs.

Short-term employee benefits

Short term employee benefits expected to be paid or payable in exchange for the services rendered is recognised on undiscounted basis.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

j. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences on foreign exchange transactions settled during the period are recognised in the Statement of Profit and Loss.

Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and resulting exchange differences are recognised in the Statement of Profit and Loss.

k. Income tax

Tax expense comprises current tax and deferred tax. Current tax is determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situation, where the Company has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

l. Employee stock options plan

Accounting value of stock options is determined on the basis of "Intrinsic Value" representing the excess of the market price on the date of grant over the exercise price of the options granted under the "Employees Stock Option Scheme" of the Company, and is being amortised as "Deferred employee compensation" on a straight-line basis over the vesting period in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and Guidance Note 18 "Share Based Payments" issued by the Institute of Chartered Accountants of India.

m. Provisions and contingencies

Provisions are recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to

settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

n. Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

o. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 2 Share Capital | | |
| Authorised share capital | | |
| 5,00,00,00,000 (previous year 5,00,00,00,000) equity shares of ₹ 5 each | 2,50,000.00 | 2,50,000.00 |
| 11,00,000 (previous year 11,00,000) preference shares of ₹ 100 each | 1,100.00 | 1,100.00 |
| 1,05,00,000 (previous year 1,05,00,000) preference shares of ₹ 200 each | 21,000.00 | 21,000.00 |
| 1,55,00,000 (previous year 1,55,00,000) preference shares of ₹ 10 each | 1,550.00 | 1,550.00 |
| | 2,73,650.00 | 2,73,650.00 |
| Issued, subscribed and fully paid-up capital | | |
| 1,04,69,48,519 (previous year 1,04,68,48,519) equity shares of ₹ 5 each fully paid up | 52,347.43 | 52,342.43 |
| Total issued, subscribed and fully paid-up share capital | 52,347.43 | 52,342.43 |

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

Equity shares

| Particulars | As at 31 March 2016 | | As at 31 March 2015 | |
|--|---------------------|------------------------|---------------------|------------------------|
| | No. of Shares | Amount (₹ in lakhs) | No. of Shares | Amount (₹ in lakhs) |
| Equity shares at the beginning of the year | 1,04,68,48,519 | 52,342.43 | 1,04,66,66,535 | 52,333.33 |
| Add: Shares issued on exercise of employee stock options | 1,00,000 | 5.00 | 1,81,984 | 9.10 |
| Equity shares at the end of the year | 1,04,69,48,519 | 52,347.43 | 1,04,68,48,519 | 52,342.43 |

b Description of the rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of ₹ 5 per share. All the existing equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. 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.

c Aggregate number of bonus shares issued / share issued pursuant to a contract without payment being received in cash and shares bought back during the period of five years immediately preceding 31 March 2016

| Particulars | Financial year (aggregate no. of shares) | | | | |
|---|--|---------|---------|-----------|-------------|
| | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
| Equity shares : | | | | | |
| Allotted as fully paid up under scheme of arrangement | - | - | - | 36,79,356 | 2,36,95,044 |

There are no bonus shares issued and shares bought back during the period of five years immediately preceding 31 March 2016

d Details of shareholders holding more than 5% equity shares in the Company

| Name of shareholder | As at 31 March 2016 | | As at 31 March 2015 | |
|--|---------------------|--------------|---------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Equity shares of ₹ 5 each fully paid up | | | | |
| RRB Mediasoft Private Limited | 10,85,15,123 | 10.36% | 10,85,15,123 | 10.37% |
| RB Mediasoft Private Limited | 12,75,60,417 | 12.18% | 12,75,60,417 | 12.19% |
| RB Media Holdings Private Limited | 12,75,28,586 | 12.18% | 12,75,28,586 | 12.18% |
| Watermark Infratech Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| Colorful Media Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| Adventure Marketing Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

As per records of the Company including its register of shareholders /members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of the shares.

e Shares reserved for issue under options and other commitments

As on 31 March 2016, 650 (previous year 1,01,300) Employees Stock Options were outstanding under the Employee Stock Option Plans of the Company. Each option would entitle the holder thereof to subscribe to one equity share of ₹ 5 each in the Company. For details refer note 39.

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 3 Reserves and surplus | | |
| a. Capital reserve | | |
| Balance at the beginning /end of the year | 69.07 | 69.07 |
| b. Securities premium account | | |
| Balance at the beginning of the year | 3,33,777.40 | 3,33,671.93 |
| Add : Amount received/transferred pursuant to exercise / lapse of employee stock options | 85.78 | 105.47 |
| Balance at the end of the year | 3,33,863.18 | 3,33,777.40 |
| c. Employee stock options outstanding | | |
| Gross employee stock compensation for options granted in earlier years | 59.65 | 59.65 |
| Less: transferred to securities premium on exercise of stock options | 58.88 | - |
| Less: transferred to reserves and surplus on lapse of vested options | 0.77 | - |
| Balance at the end of the year | - | 59.65 |
| d. General reserve | | |
| Balance at the beginning of the year | 1,134.10 | 1,134.10 |
| Add: Amount transferred on expiry of options | 0.77 | - |
| Balance at the end of the year | 1,134.87 | 1,134.10 |
| e. Deficit in the statement of profit and loss | | |
| Deficit at the beginning of the year | (1,15,912.52) | (47,093.34) |
| Add: Loss for the year | (9,096.10) | (68,755.17) |
| Add: Depreciation adjustment (refer notes 11 and 12) | - | (64.01) |
| Net deficit in the statement of profit and loss | (1,25,008.62) | (1,15,912.52) |
| Total | 2,10,058.50 | 2,19,127.70 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 4 Long-term borrowings | | |
| Secured | | |
| Vehicle loans: | | |
| from banks | 13.47 | 47.82 |
| Total | 13.47 | 47.82 |
| Security details for borrowings covered under notes 4 and 9 is as follows: | | |
| i. Vehicle loans amounting to ₹ 28.83 lakhs (previous year ₹ 92.08 lakhs) are secured by way of hypothecation of the asset thus purchased. The interest ranges from 9.97% to 10.36% per annum. The aforementioned loans are repayable in 48-60 equal monthly instalments and the final instalment is due for repayment in September 2019. The aforementioned vehicle loan has been classified as hereunder: | | |
| I. Term loans under long term borrowings | 13.47 | 47.82 |
| II. Term loans under other current liabilities | 15.36 | 44.26 |
| | 28.83 | 92.08 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--------------------------------------|------------------------|------------------------|
| 5 Other long-term liabilities | | |
| Advance from customers | - | 29.32 |
| Total | - | 29.32 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 6 Long-term provisions | | |
| Provision for employee benefits (refer note 32) | 291.47 | 307.25 |
| Total | 291.47 | 307.25 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 7 Short-term borrowings | | |
| Secured | | |
| - from banks - bank overdraft (refer note a and b below) | 16,143.53 | 18,457.73 |
| | 16,143.53 | 18,457.73 |
| Unsecured | | |
| Loans from related parties (refer note c below)* | 25,979.81 | 14,078.32 |
| Commercial papers (refer note d below) | 22,500.00 | 22,500.00 |
| | 48,479.81 | 36,578.32 |
| Total | 64,623.34 | 55,036.05 |

Security details for borrowings outstanding as at 31 March 2016

- Bank overdraft from ICICI Bank secured by first pari passu charge on all the current assets and movable fixed assets of the Company (both present and future). The same is repayable as per the terms agreed with the bank.
- Bank overdraft from Yes Bank is secured by first pari passu charge on all the current assets and movable fixed assets of the Company (both present and future). The same is repayable as per the terms agreed with the bank.
- Loans from related parties are repayable within one year.
- Commercial papers are repayable within two months.

* includes interest accrued and due amounting to ₹ 1,779.81 lakhs (previous year ₹ 78.32 lakhs)

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 8 Trade payables | | |
| Due to micro and small enterprises (refer note 40) | - | - |
| Due to others | 2,830.11 | 2,735.97 |
| Total | 2,830.11 | 2,735.97 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 9 Other current liabilities | | |
| Current maturity of long-term borrowings | 15.36 | 44.26 |
| Interest accrued but not due on borrowings | 38.47 | 68.48 |
| Unpaid dividend | 6.79 | 11.21 |
| Unclaimed matured deposits and interest accrued on unclaimed deposits | 282.72 | 170.38 |
| Statutory dues payable | 259.00 | 222.95 |
| Employee related payable | 483.31 | 444.05 |
| Magazine subscription money refundable | - | 69.43 |
| Payable for capital goods | 12.86 | 30.10 |
| Advance from customers | 245.24 | 516.87 |
| Security deposits received | 85.66 | 104.12 |
| Others | - | 2.60 |
| Total | 1,429.41 | 1,684.45 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 10 Short-term provisions | | |
| Provision for employee benefits (refer note 32) | 7.16 | 9.59 |
| Provision for sales returns (refer note a below) | 59.98 | 43.78 |
| Provision for indemnity (refer note b below) | 21,726.20 | 21,726.20 |
| Total | 21,793.34 | 21,779.57 |
| Note a | | |
| Provision for sales returns | | |
| Opening balance | 43.78 | 43.68 |
| Addition during the year | 186.07 | 240.27 |
| Amount utilised during the year | (169.87) | (240.17) |
| Closing balance | 59.98 | 43.78 |
| Provision is recognised for expected returns on products sold during the year based on past experience of level of returns. It is expected that most of this provision will be utilised in the next financial year. | | |
| Note b | | |
| Provision for indemnity | | |
| Balance as at the beginning/ end of the year | 21,726.20 | 21,726.20 |

During the year ended 31 March 2011, Roptonal Limited, Cyprus ('Roptonal') a subsidiary of the Company's jointly controlled entity, Viacom18 Media Private Limited made a public offer for purchase of entire issued capital of The Indian Film Company Limited, Guernsey ('TIFC'). The Company and its subsidiary, Network18 Holdings Limited, Mauritius ('Network18 Holdings'), in their capacity as shareholders in TIFC accepted the public offer. Further, pursuant to an agreement between Roptonal and Network18 Holdings, Network18 Holdings has agreed to indemnify Roptonal against the amount, if any, by which the net cash generated by TIFC from its existing film library in respect of the period from the date on which the aforementioned public offer becomes unconditional up to 21 July 2014 is less than the net asset value of the film library as per the TIFC's therein mentioned accounts for the year ended 31 March 2010.

Network18 Holdings has also agreed to indemnify Roptonal against certain Indian tax liabilities that may potentially arise in TIFC or Roptonal in respect of certain withholding tax recoveries stated in TIFC's financial statements and other taxes relating to the sale of Network18 Holding's shares in TIFC. The aforementioned agreement further provided that if Network18 Holding does not undertake the indemnity obligations agreed in the agreement, the indemnity shall be provided by the Company.

During the previous years, based on the assessment of estimated cash flow of the indemnified assets, the Company has estimated the liability as ₹ 21,726.20 lakhs.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| | Land | Leasehold land | Leasehold improvements | Buildings | Plant and equipment | Furniture and fixtures | Vehicles | Information technology and related equipments | Total |
|--|-------------|----------------|------------------------|--------------|---------------------|------------------------|---------------|---|-----------------|
| 11 Tangible assets | | | | | | | | | |
| Gross block | | | | | | | | | |
| Balance as at 1 April 2014 | 6.10 | 0.40 | 995.41 | 176.30 | 384.51 | 533.31 | 433.91 | 3,447.18 | 5,977.12 |
| Additions | - | - | 136.32 | - | 31.22 | 4.67 | 49.78 | 169.00 | 390.99 |
| Disposals / adjustments | - | - | - | (88.60) | - | (17.29) | (27.68) | (3.55) | (137.12) |
| Balance as at 1 April 2015 | 6.10 | 0.40 | 1,131.73 | 87.70 | 415.73 | 520.69 | 456.01 | 3,612.63 | 6,230.99 |
| Additions | - | - | - | - | 13.78 | 3.60 | - | 781.36 | 798.74 |
| Disposals / adjustments | - | - | - | - | - | - | (152.54) | - | (152.54) |
| Balance as at 31 March 2016 | 6.10 | 0.40 | 1,131.73 | 87.70 | 429.51 | 524.29 | 303.47 | 4,393.99 | 6,877.19 |
| Accumulated depreciation | | | | | | | | | |
| Balance as at 1 April 2014 | - | - | 851.67 | 68.88 | 237.68 | 431.19 | 154.94 | 3,230.06 | 4,974.42 |
| Retained earning adjustment (refer note below) | - | - | - | - | 17.15 | 3.59 | - | 43.18 | 63.92 |
| Charge for the year | - | - | 34.91 | 2.93 | 52.15 | 28.34 | 74.26 | 110.03 | 302.62 |
| Reversal on account of disposals / adjustments | - | - | - | (38.36) | - | (9.96) | (43.84) | (3.03) | (95.19) |
| Balance as at 1 April 2015 | - | - | 886.58 | 33.45 | 306.98 | 453.16 | 185.36 | 3,380.24 | 5,245.77 |
| Charge for the year | - | - | 48.28 | 1.26 | 47.59 | 11.29 | 45.75 | 173.01 | 327.18 |
| Reversal on account of disposals / adjustments | - | - | - | - | - | - | (57.58) | - | (57.58) |
| Balance as at 31 March 2016 | - | - | 934.86 | 34.71 | 354.57 | 464.45 | 173.53 | 3,553.25 | 5,515.37 |
| Net Block | | | | | | | | | |
| Balance as at 31 March 2015 | 6.10 | 0.40 | 245.15 | 54.25 | 108.75 | 67.53 | 270.65 | 232.39 | 985.22 |
| Balance as at 31 March 2016 | 6.10 | 0.40 | 196.87 | 52.99 | 74.94 | 59.84 | 129.94 | 840.74 | 1,361.82 |

Notes:

- (a) Pursuant to the enactment of the Companies Act, 2013 (the 'Act'), the Company had, effective from 1 April 2014, reassessed the useful life of its fixed assets and had computed depreciation and amortisation with reference to the useful life of assets as recommended in Schedule II of the Act. Consequently, depreciation and amortisation for the year ended 31 March 2015 was lower by ₹ 53.19 lakhs and net profit was higher by ₹ 53.19 lakhs. Further, based on the transitional provision provided in Schedule II, an amount of ₹ 64.01 lakhs was adjusted with the opening reserves during the year ended 31 March 2015.
- (b) The charge for the year ended 31 March 2015 amounting to ₹ 302.62 lakhs and ₹ 196.87 lakhs inter-alia towards tangible and intangible assets respectively, included an amount of ₹ 54.01 lakhs which was included under exceptional item owing to obsolescence /impairment (accelerated depreciation and amortisation).

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | Computer software | Brand/ trademarks and website costs | Total |
|---|-------------------|-------------------------------------|-----------------|
| 12 Intangible assets | | | |
| Gross block | | | |
| Balance as at 1 April 2014 | 1,192.62 | 1,257.03 | 2,449.65 |
| Additions | 102.80 | 39.56 | 142.36 |
| Balance as at 1 April 2015 | 1,295.42 | 1,296.59 | 2,592.01 |
| Additions | 279.89 | 773.91 | 1,053.80 |
| Balance as at 31 March 2016 | 1,575.31 | 2,070.50 | 3,645.81 |
| Accumulated amortisation | | | |
| Balance as at 1 April 2014 | 1,064.89 | 1,091.14 | 2,156.03 |
| Retained earning adjustment (refer note 11 (a)) | 0.09 | - | 0.09 |
| Charge for the year | 141.37 | 55.50 | 196.87 |
| Balance as at 1 April 2015 | 1,206.35 | 1,146.64 | 2,352.99 |
| Charge for the year | 82.58 | 173.71 | 256.29 |
| Balance as at 31 March 2016 | 1,288.93 | 1,320.35 | 2,609.28 |
| Net Block | | | |
| Balance as at 31 March 2015 | 89.07 | 149.95 | 239.02 |
| Balance as at 31 March 2016 | 286.38 | 750.15 | 1,036.53 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|---------------------|---------------------|
| 13 Non-current investments | | |
| Long-term investments | | |
| (valued at cost unless stated otherwise) | | |
| Trade investments | | |
| Equity shares : quoted | | |
| Investment in subsidiaries | | |
| (a) 87,70,35,062 (previous year 87,70,35,062) equity shares of ₹ 2 each in TV18 Broadcast Limited | 2,56,223.60 | 2,56,223.60 |
| (b) 2,54,42,694 (previous year 2,54,42,694) equity shares of ₹ 10 each fully paid up in Infomedia Press Limited (formerly known as 'Infomedia 18 Limited') | 24,664.84 | 24,664.84 |
| Less: Provision for diminution | (24,618.95) | (24,618.95) |
| ii. Investment in others | | |
| Beneficiary interest in Network18 Media Trust (1,15,86,762 (previous year 1,15,86,762) shares of the Company) | 18,157.46 | 18,157.46 |
| Less: Provision for diminution | (13,881.95) | (13,881.95) |
| Aggregate amount of quoted investments | 2,60,545.00 | 2,60,545.00 |
| Equity shares : Unquoted | | |
| Investment in subsidiaries | | |
| 15,00,000 (previous year 15,00,000) equity shares of USD 1 each fully paid up in Network18 Holdings Limited, Mauritius | 678.90 | 678.90 |
| 1,00,001 (previous year 1,00,001) equity shares of USD 1 each fully paid up in Television Eighteen Media and Investments Limited, Mauritius | 39.97 | 39.97 |
| 2,581 (previous year 2,581) equity shares of ₹ 10 each fully paid up in Big Tree Entertainment Private Limited | 489.82 | 489.82 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 50,000 (previous year 50,000) equity shares of ₹ 10 each fully paid up in Digital18 Media Limited | 5.00 | 5.00 |
| Less: Provision for diminution | (5.00) | (5.00) |
| 1,22,95,000 (previous year 1,22,95,000) equity shares of USD 1 each fully paid up in Television Eighteen Mauritius Limited, Mauritius | 1,606.32 | 1,606.32 |
| 10,000 (previous year 10,000) equity shares of ₹ 10 each fully paid up in Capital18 Fincap Private Limited | 1.00 | 1.00 |
| Less: Provision for diminution | (1.00) | (1.00) |
| Investment in others - Non Trade | | |
| 6 years National Savings Certificates | - | 0.06 |
| | 2,815.01 | 2,815.07 |
| Preference shares : Unquoted - Trade Investments | | |
| Investment in subsidiaries | | |
| 1,156 (previous year 1,156) compulsorily convertible preference shares Series B of ₹ 1,000 each fully paid up in Big Tree Entertainment Private Limited | 4,767.54 | 4,767.54 |
| 4,91,18,691 (previous year 4,91,18,691) optionally fully convertible preference shares of USD 1 fully paid up in Television Eighteen Media and Investments Limited, Mauritius | 20,103.38 | 20,103.38 |
| 25,48,000 (previous year 25,48,000) 15% optionally fully Convertible Preference Shares of ₹ 10 each in Capital18 Fincap Private Limited | 11,007.27 | 11,007.27 |
| Less: Provision for diminution | (11,007.27) | (11,007.27) |
| 2,44,497 (previous year 2,44,497) 0.001% Non-cumulative Compulsorily Convertible Preference Shares of ₹ 100 each in TV18 Home Shopping Network Limited | 24,938.74 | 24,938.74 |
| | 49,809.66 | 49,809.66 |
| Debentures and bonds - Unquoted | | |
| 7,54,902 (previous year 9,89,402) Zero coupon Optionally fully Convertible Debentures of Capital18 Fincap Private Limited of ₹ 1,000 each | 5,444.01 | 7,789.01 |
| 4,79,500 (previous year 4,58,500) Zero coupon Optionally fully Convertible Debentures of Digital18 Media Limited of ₹ 1,000 each | 4,795.00 | 4,585.00 |
| Less: Provision for diminution | (4,320.00) | (4,320.00) |
| 2,60,400 (previous year 2,60,400) Zero coupon Optionally fully Convertible Debentures of RRB Investments Private Limited of ₹ 1,000 each | 2,604.00 | 2,604.00 |
| Less: Provision for diminution | (2,604.00) | (2,604.00) |
| 1,20,00,000 (previous year 1,20,00,000) Zero coupon Optionally fully Convertible Debentures of Network18 Holdings Limited of USD 1 each | 7,179.90 | 7,179.90 |
| 30 (previous year 30) unsecured Redeemable Non-Convertible, Upper Tier II Bonds of Yes Bank Limited of ₹ 10,00,000 each | 300.00 | 300.00 |
| | 13,398.91 | 15,533.91 |
| Aggregate amount of unquoted investments (net of provision for diminution) | 66,023.58 | 68,158.64 |
| Total | 3,26,568.58 | 3,28,703.64 |
| Aggregate provision for the diminution in value of investments | 56,438.17 | 56,438.17 |
| Market value of quoted investments | 3,59,527.23 | 2,72,215.03 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 14 Long-term loans and advances | | |
| (unsecured, considered good unless otherwise stated) | | |
| Capital advances | 26.38 | 12.36 |
| Security deposits | 98.54 | 115.44 |
| Loans and advances | | |
| - to related parties | 2,186.86 | 2,041.97 |
| - Others | | |
| Considered good | 12,340.30 | 12,340.30 |
| Considered doubtful | 37,953.94 | 37,953.94 |
| Less : provision for doubtful loans and advances | (37,953.94) | (37,953.94) |
| Loans and advances to staff | 0.12 | 5.60 |
| Other loans and advances | | |
| - Income-tax paid (net of provisions ₹ 300.30 lakhs (previous year ₹ 300.30 lakhs)) | 3,377.08 | 3,098.27 |
| Prepaid expenses | 15.44 | 3.78 |
| Others | - | 1.30 |
| Debenture application money paid | 300.00 | - |
| Total | 18,344.73 | 17,619.02 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---------------------------------------|------------------------|------------------------|
| 15 Other non-current assets | | |
| Interest accrued but not due on loans | 820.39 | 551.02 |
| Restricted fixed deposits* | 2.42 | 2.31 |
| Total | 822.81 | 553.33 |

* Fixed deposits of ₹ 2.42 lakhs (previous year ₹ 2.31 lakhs) are under lien with banks against sales tax commitments and are restricted from being exchanged or used to settle a liability for more than 12 months from the respective balance sheet dates.

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 16 Current investments | | |
| Short-term investments | | |
| Quoted equity shares (valued at lower of cost or market value) | | |
| 6,98,298 (previous year 6,98,298) equity shares of ₹ 10 each in DEN Networks Limited | 0.00 | 0.00 |
| Aggregate amount of quoted investments | 0.00 | 0.00 |
| Market value of quoted current investments | 606.47 | 841.09 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 17 Inventories | | |
| Raw materials and components | 70.48 | 90.89 |
| Less : Provision for obsolete inventory | - | (27.50) |
| Total | 70.48 | 63.39 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 18 Trade receivables | | |
| Outstanding for a period exceeding six months from the due date | | |
| Secured, considered good | 46.92 | 13.14 |
| Unsecured, considered good | 814.73 | 198.04 |
| Unsecured, considered doubtful | 1,051.22 | 1,753.92 |
| Less: Provision for doubtful receivables | (1,051.22) | (1,753.92) |
| Other receivables | | |
| Secured, considered good | 5.51 | 49.73 |
| Unsecured, considered good | 1,867.93 | 1,793.58 |
| Total | 2,735.09 | 2,054.49 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 19 Cash and bank balances | | |
| Cash and cash equivalents | | |
| Balance with banks | | |
| in current accounts | 73.21 | 313.85 |
| in deposit accounts | 192.70 | - |
| Cheques on hand | 82.31 | - |
| Cash on hand | 0.13 | 0.20 |
| | 348.35 | 314.05 |
| Other bank balances | | |
| Unpaid dividend accounts | - | 1.36 |
| Unpaid zero coupon partly convertible debenture accounts | - | 3.08 |
| Unpaid right issue money | - | 0.70 |
| Unpaid non-cumulative convertible redeemable preference shares account | 6.79 | - |
| Balance with bank towards deposits which remain unclaimed | 282.72 | - |
| | 289.51 | 5.14 |
| Total | 637.86 | 319.19 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 20 Short-term loans and advances | | |
| (unsecured, considered good unless otherwise stated) | | |
| Security deposits | 38.70 | 387.31 |
| Loans and advances to related parties | 252.19 | 344.34 |
| Advances recoverable in cash or in kind | 273.03 | 286.81 |
| Loans and advances to staff | 20.32 | 49.51 |
| | 584.24 | 1,067.97 |
| Other loans and advances | | |
| Service tax input credit | 294.94 | 383.09 |
| Prepaid expenses | 312.13 | 260.74 |
| Others | 5.34 | - |
| | 612.41 | 643.83 |
| Total | 1,196.65 | 1,711.80 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 21 Other current assets | | |
| Unbilled revenue | 470.61 | 677.74 |
| Interest accrued but not due on advances | 16.56 | 16.01 |
| Total | 487.17 | 693.75 |

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|---|-----------------------------|-----------------------------|
| 22 Revenue from operations | | |
| Sale of services | | |
| Advertising and sponsorship revenue | 5,079.42 | 4,623.36 |
| Mobile short messaging and other related services | 1,278.89 | 1,740.66 |
| Sale of stalls at exhibitions | - | 516.40 |
| Sale of products : finished goods | | |
| Sale of magazines | 274.08 | 344.90 |
| Other operating revenue | 97.54 | 206.75 |
| Total | 6,729.93 | 7,432.07 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|--|-----------------------------|-----------------------------|
| 23 Other income | | |
| Interest income on | | |
| Bank deposits | 2.29 | 341.06 |
| Long-term investments | - | 28.66 |
| Loans and advances | 322.08 | 304.09 |
| Profit on sale of current investments | - | 126.29 |
| Excess provision/sundry balances written back | 318.07 | 29.32 |
| Reversal of employee stock compensation expenses | - | 36.69 |
| Miscellaneous income | 258.55 | 372.44 |
| Total | 900.99 | 1,238.55 |

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|--|-----------------------------|-----------------------------|
| 24 Cost of materials consumed | | |
| Opening stock | | |
| Raw material | 90.89 | 52.23 |
| Add : Purchases during the year | 180.32 | 244.51 |
| | 271.21 | 296.74 |
| Less : Closing stock | | |
| Raw material | 70.48 | 90.89 |
| Total | 200.73 | 205.85 |
| Details of raw material and components consumed | | |
| Sheet paper and reel paper | 200.73 | 205.85 |
| | 200.73 | 205.85 |
| Details of purchase of raw material and components | | |
| Sheet paper and reel paper | 180.32 | 244.51 |
| | 180.32 | 244.51 |
| Details of closing stock of raw material and components | | |
| Sheet paper and reel paper | 70.48 | 90.89 |
| | 70.48 | 90.89 |

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|---|-----------------------------|-----------------------------|
| 25 Employee benefits expense | | |
| Salaries, wages and bonus | 3,518.15 | 2,822.11 |
| Contribution to provident fund and employees' state insurance | 205.07 | 216.66 |
| Gratuity and compensated absences | 99.94 | 87.47 |
| Staff welfare expenses | 490.07 | 273.16 |
| Total | 4,313.23 | 3,399.40 |

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|-------------------------|-----------------------------|-----------------------------|
| 26 Finance costs | | |
| Interest expense | 5,236.49 | 5,477.17 |
| Other financial charges | 46.85 | 275.35 |
| Total | 5,283.34 | 5,752.52 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|---|-----------------------------|-----------------------------|
| 27 Depreciation and amortisation expense | | |
| Depreciation of tangible assets | 327.18 | 263.53 |
| Amortisation of intangible assets | 256.29 | 181.95 |
| Total | 583.47 | 445.48 |

₹ in lakhs

| | Year ended 31 March 2016 | Year ended 31 March 2015 |
|--|-----------------------------|-----------------------------|
| 28 Other operating expenses | | |
| Consumption of stores and spares | 2.99 | 8.36 |
| Power and fuel | 107.11 | 148.38 |
| Distribution, advertising and business promotion | 1,159.96 | 712.61 |
| Rent | 773.83 | 699.33 |
| Repairs and maintenance - Plant and equipment | 53.45 | 91.69 |
| Repairs and maintenance - Buildings | 17.81 | 27.74 |
| Repairs and maintenance - Others | 92.08 | 115.90 |
| Insurance | 55.55 | 32.26 |
| Rates and taxes | 84.21 | 210.07 |
| Legal and professional expenses | 515.71 | 389.21 |
| Director's sitting fee | 53.00 | 32.80 |
| Site support cost | 670.00 | 734.42 |
| Bad debts /advances written off /provided for | 304.07 | 110.23 |
| Studio and equipment hire charges | 20.32 | 12.51 |
| Event expenses | 56.32 | 417.05 |
| Content and franchise expenses | 453.08 | 386.65 |
| Media professional fee | 171.33 | 215.63 |
| License fees | - | 2.10 |
| Travelling and conveyance | 620.54 | 378.01 |
| Communication costs | 142.02 | 141.48 |
| Printing and stationery | 19.39 | 19.45 |
| Vehicle running and maintenance | 210.03 | 109.33 |
| Membership and subscription | 38.49 | 10.07 |
| Payment to auditor (Refer details below) | 92.68 | 90.17 |
| Printing cost | 126.15 | 196.85 |
| Exchange difference (net) | - | 12.42 |
| Loss on disposal of fixed asset | 34.89 | 2.14 |
| Miscellaneous expenses | 471.24 | 342.98 |
| Total | 6,346.25 | 5,649.84 |
| Payments to auditor* | | |
| - as auditor | 35.95 | 43.74 |
| - other services | 35.81 | 38.06 |
| - for reimbursement of expenses | 20.92 | 8.37 |
| | 92.68 | 90.17 |

*Excluding service tax

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| | ₹ in lakhs | |
|--|-----------------------------|-----------------------------|
| | Year ended 31 March 2016 | Year ended 31 March 2015 |
| 29 Exceptional items | | |
| Termination benefits and related consultancy charges | - | 762.00 |
| Obsolescence / impairment in value of fixed assets | - | 512.98 |
| Balances written off | - | 39,886.77 |
| Provision for diminution in the value of investments in subsidiaries | - | 20,810.95 |
| Total | - | 61,972.70 |

| | ₹ in lakhs | |
|---|-----------------------------|-----------------------------|
| | Year ended 31 March 2016 | Year ended 31 March 2015 |
| 30 Earnings per share | | |
| Loss after tax attributable to equity shareholders | (9,096.10) | (68,755.17) |
| Weighted average number of equity shares in calculating basic/ diluted earnings per share | 1,04,69,42,766 | 1,04,67,83,633 |
| Nominal value of equity share | 5.00 | 5.00 |
| Earnings per share (basic and diluted) | (0.87) | (6.57) |

*Since the potential equity shares are anti-dilutive, diluted earnings per share is same as basic earnings per share

31 Related party disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships

| Sr. No. | Name of Related Party | Relationship |
|---------|--|--------------------------------|
| 1 | Independent Media Trust (w.e.f. 07 July 2014) | Enterprises exercising control |
| 2 | Adventure Marketing Private Limited (w.e.f. 07 July 2014)# | |
| 3 | Watermark Infratech Private Limited (w.e.f. 07 July 2014)# | |
| 4 | Colorful Media Private Limited (w.e.f. 07 July 2014)# | |
| 5 | RB Media Holdings Private Limited (w.e.f. 07 July 2014)# | |
| 6 | RB Mediasoft Private Limited (w.e.f. 07 July 2014)# | |
| 7 | RRB Mediasoft Private Limited (w.e.f. 07 July 2014)# | |
| 8 | RB Holdings Private Limited (w.e.f. 07 July 2014)# | |
| 9 | Shinano Retail Private Limited (w.e.f. 07 July 2014) | |
| 10 | Reliance Industries Limited (RIL) (w.e.f. 07 July 2014) | |
| 11 | Reliance Industrial Investments and Holdings Limited (w.e.f. 07 July 2014) | |
| 12 | Television Eighteen Mauritius Limited | Subsidiaries |
| 13 | Capital18 Fincap Private Limited | |
| 14 | Network18 Holdings Limited (Mauritius) | |
| 15 | Digital18 Media Limited | |
| 16 | RRB Investments Private Limited | |
| 17 | Setpro18 Distribution Limited | |
| 18 | TV18 Broadcast Limited | |
| 19 | Infomedia Press Limited | |
| 20 | RRK Finhold Private Limited | |
| 21 | RVT Finhold Private Limited | |
| 22 | Greycells18 Media Limited | |
| 23 | Colosceum Media Private Limited | |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Sr. No. | Name of Related Party | Relationship |
|---------|---|--------------------------|
| 24 | E-18 Limited, Cyprus | Subsidiaries |
| 25 | Web18 Software Services Limited | |
| 26 | e-Eighteen.com Limited | |
| 27 | AETN18 Media Private Limited | |
| 28 | RVT Media Private Limited | |
| 29 | TV18 Home Shopping Network Limited | |
| 30 | Big Tree Entertainment Private Limited | |
| 31 | Panorama TV Private Limited | |
| 32 | Prism TV Private Limited | |
| 33 | Viacom18 Media Private Limited | |
| 34 | IBN Lokmat News Private Limited | |
| 35 | Indiacast Distribution Private Limited (Formerly known as IndiaCast UTV Media Distribution Private Limited) | |
| 36 | Indiacast UK Limited | |
| 37 | Indiacast US Limited | |
| 38 | 24 X 7 Learning Private Limited | Associate |
| 39 | A P Parigi (up to 30 September 2015) | Key Managerial Personnel |
| 40 | Reliance Retail Limited (w.e.f. 07 July 2014)* | Fellow subsidiary |

Controlled by Independent Media Trust of which RIL is the sole beneficiary

* Subsidiary of RIL, the sole beneficiary of Independent Media Trust

(b) Related party transactions and balances

| Particulars | ₹ in lakhs | | | | |
|---|---------------------------------------|------------|----------------|---|--------------------------------|
| | Subsidiaries/ Fellow subsidiary | Associates | Joint ventures | Entities over which Key Managerial Personnel are able to exercise significant influence | Key Management Personnel |
| Transactions during the year | | | | | |
| Income from operations | | | | | |
| TV18 Broadcast Limited | 36.65 | - | - | - | - |
| | (6.88) | (-) | (-) | (-) | (-) |
| e-Eighteen.com Limited | 8.77 | - | - | - | - |
| | (8.83) | (-) | (-) | (-) | (-) |
| Viacom18 Media Private Limited | - | - | 51.33 | - | - |
| | (-) | (-) | (154.60) | (-) | (-) |
| Digital18 Media Limited | 0.25 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| AETN18 Media Private Limited | - | - | - | - | - |
| | (1.00) | (-) | (-) | (-) | (-) |
| Indiacast Distribution Private Limited (Formerly known as IndiaCast UTV Media Distribution Private Limited) | - | - | - | - | - |
| | (-) | (-) | (4.52) | (-) | (-) |
| Indiacast US Limited | - | - | - | - | - |
| | (-) | (-) | (75.58) | (-) | (-) |
| Indiacast UK Limited | - | - | - | - | - |
| | (-) | (-) | (1.98) | (-) | (-) |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particulars | ₹ in lakhs | | | | |
|---|---------------------------------------|------------|----------------|---|--------------------------------|
| | Subsidiaries/ Fellow subsidiary | Associates | Joint ventures | Entities over which Key Managerial Personnel are able to exercise significant influence | Key Management Personnel |
| Expenditure for services received | | | | | |
| TV18 Broadcast Limited | 22.32 | - | - | - | - |
| e-Eighteen.com Limited | (6.64) | (-) | (-) | (-) | (-) |
| Viacom18 Media Private Limited | (3.24) | (-) | (-) | (-) | (-) |
| Digital18 Media Limited | - | - | - | - | - |
| AETN18 Media Private Limited | (-) | (-) | (3.78) | (-) | (-) |
| Web18 Software Services Limited | 0.58 | - | - | - | - |
| Reliance Retail Limited | - | (-) | (-) | (-) | (-) |
| | (1.11) | (-) | (-) | (-) | (-) |
| | 11.52 | - | - | - | - |
| | (12.39) | (-) | (-) | (-) | (-) |
| | - | - | - | - | - |
| | (5.37) | (-) | (-) | (-) | (-) |
| Interest income | | | | | |
| Infomedia Press Limited | 283.08 | - | - | - | - |
| Capital18 Fincap Private Limited | (303.45) | (-) | (-) | (-) | (-) |
| | 0.76 | - | - | - | - |
| | (0.19) | (-) | (-) | (-) | (-) |
| Interest expense | | | | | |
| TV18 Broadcast Limited | 1,647.21 | - | - | - | - |
| e-Eighteen.com Limited | (87.02) | (-) | (-) | (-) | (-) |
| | 243.34 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Reimbursement of expenses (paid) | | | | | |
| TV18 Home Shopping Network Limited | 10.58 | - | - | - | - |
| TV18 Broadcast Limited | (181.75) | (-) | (-) | (-) | (-) |
| e-Eighteen.com Limited | 384.67 | - | - | - | - |
| Viacom18 Media Private Limited | (221.16) | (-) | (-) | (-) | (-) |
| Greycells18 Media Limited | 876.93 | - | - | - | - |
| 24 X 7 Learning Private Limited | (664.35) | (-) | (-) | (-) | (-) |
| | - | - | - | - | - |
| | (-) | (-) | (0.29) | (-) | (-) |
| | 4.80 | - | - | - | - |
| | (4.65) | (-) | (-) | (-) | (-) |
| | - | 8.38 | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Reimbursement of expenses (received) | | | | | |
| TV18 Broadcast Limited | 942.08 | - | - | - | - |
| e-Eighteen.com Limited | (1,388.91) | (-) | (-) | (-) | (-) |
| Viacom18 Media Private Limited | 597.78 | - | - | - | - |
| Digital18 Media Limited | (655.22) | (-) | (-) | (-) | (-) |
| | - | - | 2.97 | - | - |
| | (-) | (-) | (6.49) | (-) | (-) |
| | 54.13 | - | - | - | - |
| | (163.22) | (-) | (-) | (-) | (-) |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particulars | ₹ in lakhs | | | | |
|---|---------------------------------------|------------|----------------|---|--------------------------------|
| | Subsidiaries/ Fellow subsidiary | Associates | Joint ventures | Entities over which Key Managerial Personnel are able to exercise significant influence | Key Management Personnel |
| TV18 Home Shopping Network Limited | 288.24 | - | - | - | - |
| Infomedia Press Limited | (336.99) | (-) | (-) | (-) | (-) |
| Big Tree Entertainment Private Limited | 1.98 | - | - | - | - |
| AETN18 Media Private Limited | (-) | (-) | (-) | (-) | (-) |
| IBN Lokmat News Private Limited | 26.89 | - | - | - | - |
| Colosseum Media Private Limited | (10.00) | (-) | (-) | (-) | (-) |
| Greycells18 Media Limited | 24.21 | - | - | - | - |
| Panorama TV Private Limited | (29.60) | (-) | (-) | (-) | (-) |
| Prism TV Private Limited | - | - | 33.29 | - | - |
| Web18 Software Services Limited | (-) | (-) | (67.45) | (-) | (-) |
| Exceptional item (provision for doubtful advances) | - | - | - | - | - |
| Television Eighteen Mauritius Limited | (0.79) | (-) | (-) | (-) | (-) |
| Infomedia Press Limited | 20.72 | - | - | - | - |
| Capital18 Fincap Private Limited | (77.98) | (-) | (-) | (-) | (-) |
| Loans/advances given during the year | - | - | - | - | - |
| Infomedia Press Limited | (7.10) | (-) | (-) | (-) | (-) |
| Capital18 Fincap Private Limited | (1.72) | (-) | (-) | (-) | (-) |
| Loans/advances taken during the year | - | - | - | - | - |
| TV18 Broadcast Limited | (0.45) | (-) | (-) | (-) | (-) |
| e-Eighteen.com Limited | - | - | - | - | - |
| Provision for doubtful advances | - | - | - | - | - |
| Viacom18 Media Private Limited | (499.78) | (-) | (-) | (-) | (-) |
| Loans/advances received back given during the year | - | - | - | - | - |
| TV18 Broadcast Limited | (467.76) | (-) | (-) | (-) | (-) |
| Investments purchase during the year | - | - | - | - | - |
| Big Tree Entertainment Private Limited | 163.86 | - | - | - | - |
| Infomedia Press Limited | (-) | (-) | (-) | (-) | (-) |
| Digital18 Media Limited | - | - | - | - | - |
| Capital18 Fincap Private Limited | (115.00) | (-) | (-) | (-) | (-) |
| Investments purchase during the year | - | - | - | - | - |
| Big Tree Entertainment Private Limited | 11,000.00 | - | - | - | - |
| Infomedia Press Limited | (14,000.00) | (-) | (-) | (-) | (-) |
| Digital18 Media Limited | 4,200.00 | - | - | - | - |
| Capital18 Fincap Private Limited | (-) | (-) | (-) | (-) | (-) |
| Investments purchase during the year | - | - | - | - | - |
| Big Tree Entertainment Private Limited | (277.54) | (-) | (-) | (-) | (-) |
| Infomedia Press Limited | - | - | - | - | - |
| Digital18 Media Limited | (45.89) | (-) | (-) | (-) | (-) |
| Capital18 Fincap Private Limited | 105.00 | - | - | - | - |
| Investments purchase during the year | (265.00) | (-) | (-) | (-) | (-) |
| Big Tree Entertainment Private Limited | 210.00 | - | - | - | - |
| Infomedia Press Limited | (1,077.00) | (-) | (-) | (-) | (-) |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particulars | ₹ in lakhs | | | | |
|--|---------------------------------------|------------|----------------|---|--------------------------------|
| | Subsidiaries/ Fellow subsidiary | Associates | Joint ventures | Entities over which Key Managerial Personnel are able to exercise significant influence | Key Management Personnel |
| Provision for diminution in value of investment | | | | | |
| Digital18 Media Limited | - | - | - | - | - |
| Digital18 Media Limited -Investment in Equity | (4,325.00) | (-) | (-) | (-) | (-) |
| RRB Investments Private Limited | (5.00) | (-) | (-) | (-) | (-) |
| | (-) | - | - | - | - |
| | (2,604.00) | (-) | (-) | (-) | (-) |
| Investment in debentures redeemed | | | | | |
| Capital18 Fincap Private Limited | 2,450.00 | - | - | - | - |
| | (2,740.00) | (-) | (-) | (-) | (-) |
| Debenture application money paid | | | | | |
| Capital18 Fincap Private Limited | 300.00 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Corporate guarantee given | | | | | |
| TV18 Home Shopping Network Limited | 8,069.22 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| TV18 Broadcast limited | 986.00 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Amount due from | | | | | |
| TV18 Broadcast Limited | 345.14 | - | - | - | - |
| | (85.71) | (-) | (-) | (-) | (-) |
| Viacom18 Media Private Limited | - | - | 307.63 | - | - |
| | (-) | (-) | (326.31) | (-) | (-) |
| e-Eighteen.com Limited | 692.48 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Big Tree Entertainment Private Limited | 63.02 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Digital18 Media Limited | 48.38 | - | - | - | - |
| | (11.63) | (-) | (-) | (-) | (-) |
| TV18 Home Shopping Network Limited | 61.89 | - | - | - | - |
| | (42.28) | (-) | (-) | (-) | (-) |
| Infomedia Press Limited | 2,829.86 | - | - | - | - |
| | (3,113.86) | (-) | (-) | (-) | (-) |
| AETN18 Media Private Limited | 2.01 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| IBN Lokmat News Private Limited | - | - | 1.04 | - | - |
| | (-) | (-) | (7.50) | (-) | (-) |
| Greycells18 Media Limited | 10.96 | - | - | - | - |
| | (76.03) | (-) | (-) | (-) | (-) |
| Television Eighteen Mauritius Limited | 499.78 | - | - | - | - |
| | (499.78) | (-) | (-) | (-) | (-) |
| Web18 Software Services Limited | 32.48 | - | - | - | - |
| | (30.06) | (-) | (-) | (-) | (-) |
| Panorama TV Private Limited | - | - | - | - | - |
| | (2.91) | (-) | (-) | (-) | (-) |
| Prism TV Private Limited | - | - | - | - | - |
| | (1.93) | (-) | (-) | (-) | (-) |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particulars | ₹ in lakhs | | | | |
|--|---------------------------------------|------------|----------------|---|--------------------------------|
| | Subsidiaries/ Fellow subsidiary | Associates | Joint ventures | Entities over which Key Managerial Personnel are able to exercise significant influence | Key Management Personnel |
| RRB Investments Private Limited | 0.38 | - | - | - | - |
| | (0.19) | (-) | (-) | (-) | (-) |
| RRK Finhold Private Limited | (-) | - | - | - | - |
| | (0.59) | (-) | (-) | (-) | (-) |
| RVT Finhold Private Limited | 0.21 | - | - | - | - |
| | - | (-) | (-) | (-) | (-) |
| RVT Media Private Limited | 0.51 | - | - | - | - |
| | (0.16) | (-) | (-) | (-) | (-) |
| Capital18 Fincap Private Limited | 300.00 | - | - | - | - |
| | (115.19) | (-) | (-) | (-) | (-) |
| Setpro18 Distribution Limited | - | - | - | - | - |
| | (0.09) | (-) | (-) | (-) | (-) |
| Amount due to | | | | | |
| Viacom18 Media Private Limited | - | - | 26.65 | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| e-Eighteen.com Limited | 4,896.80 | - | - | - | - |
| | (159.38) | (-) | (-) | (-) | (-) |
| TV18 Broadcast Limited | 21,938.20 | - | - | - | - |
| | (14,078.32) | (-) | (-) | (-) | (-) |
| Big Tree Entertainment Private Limited | 49.03 | - | - | - | - |
| | (10.32) | (-) | (-) | (-) | (-) |
| E-18 Limited, Cyprus | 3.29 | - | - | - | - |
| | (3.29) | (-) | (-) | (-) | (-) |
| Network18 Holdings Limited | 21,719.94 | - | - | - | - |
| | (21,719.94) | (-) | (-) | (-) | (-) |
| Web18 Software Services Limited | 0.47 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Digital18 Media Limited | 0.88 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Greycells18 Media Limited | 0.03 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Infomedia Press Limited | 92.11 | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| AETN18 Media Private Limited | - | - | - | - | - |
| | (0.25) | (-) | (-) | (-) | (-) |
| Corporate guarantee given | | | | | |
| TV18 Home Shopping Network Limited | 15,902.28 | - | - | - | - |
| | (7,833.06) | (-) | (-) | (-) | (-) |
| TV18 Broadcast Limited | - | - | - | - | - |
| | (986.00) | (-) | (-) | (-) | (-) |

(figures in brackets represents figures for previous year)

Note:

Note 31(a) and (b) (related party note) also suffice the requirements of schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

32. Employee benefits

Net employee benefits expense

₹ in lakhs

| Particulars | Year ended 31 March 2016 | | Year ended 31 March 2015 | |
|---|--------------------------|----------------------|--------------------------|----------------------|
| | Gratuity | Compensated absences | Gratuity | Compensated absences |
| Current service cost | 40.72 | 42.94 | 41.59 | 40.49 |
| Interest cost | 16.59 | 8.76 | 18.02 | 10.68 |
| Net actuarial (gain)/ loss recognised in the year | (20.13) | 11.06 | 121.53 | (4.35) |
| Net benefits expense | 37.18 | 62.76 | 181.14 | 46.82 |

Note – For the year ended 31 March 2015, out of the total net benefits expense on account of gratuity and compensated absences ₹ 140.49 lakhs was classified as an exceptional item and ₹ 87.47 lakhs was part of employee benefits expense.

Changes in the present value of the defined benefit obligation are as follows:

₹ in lakhs

| Particulars | Year ended 31 March 2016 | | Year ended 31 March 2015 | |
|---|--------------------------|----------------------|--------------------------|----------------------|
| | Gratuity | Compensated absences | Gratuity | Compensated absences |
| Present value of obligations as at the beginning of the year | 207.35 | 109.49 | 220.98 | 138.48 |
| Current service cost | 40.72 | 42.94 | 41.59 | 40.49 |
| Interest cost | 16.59 | 8.76 | 18.02 | 10.68 |
| Acquisition adjustment | - | - | (12.60) | (8.45) |
| Benefit paid | (51.17) | (66.98) | (182.17) | (67.36) |
| Net actuarial (gain)/ loss recognised in the year | (20.13) | 11.06 | 121.53 | (4.35) |
| Present value of obligations as at the end of the year | 193.36 | 105.27 | 207.35 | 109.49 |

Net liability amount recognised in the balance sheet

₹ in lakhs

| Particulars | Year ended 31 March 2016 | | Year ended 31 March 2015 | |
|----------------------------|--------------------------|----------------------|--------------------------|----------------------|
| | Gratuity | Compensated absences | Gratuity | Compensated absences |
| Non-current liability | 189.01 | 102.46 | 202.42 | 104.83 |
| Current liability | 4.35 | 2.81 | 4.93 | 4.66 |
| Total Net Liability | 193.36 | 105.27 | 207.35 | 109.49 |

The present value of defined benefit obligations and experience adjustments arising on plan liabilities in current and previous four annual periods is as below:

₹ in lakhs

| Particulars | As at | As at | As at | As at | As at |
|---|---------------|---------------|---------------|---------------|---------------|
| | 31 March 2012 | 31 March 2013 | 31 March 2014 | 31 March 2015 | 31 March 2016 |
| Present value of defined benefit obligation | 427.60 | 387.56 | 220.98 | 207.35 | 193.36 |
| Actuarial gain/(loss) | (30.09) | (64.80) | 60.08 | (121.53) | (20.13) |
| Experience adjustment on plan liabilities (loss)/gain | 30.09 | 64.80 | (60.08) | 121.53 | 20.13 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

The principal assumptions used in determining liability towards gratuity and compensated absences are shown below:

a) Economic Assumption

| Particulars | ₹ in lakhs | | | |
|---------------------------------|--------------------------|-----------------------------|--------------------------|-----------------------------|
| | Year ended 31 March 2016 | | Year ended 31 March 2015 | |
| | Gratuity (in %) | Compensated absences (in %) | Gratuity (in %) | Compensated absences (in %) |
| Discount rate | 8.00 | 8.00 | 8.00 | 8.00 |
| Expected salary escalation rate | 5.50 | 5.50 | 5.50 | 5.50 |

b) Demographic assumption

| Particulars | ₹ in lakhs | | | |
|------------------------|--------------------------|------------|--------------------------|------------|
| | Year ended 31 March 2016 | | Year ended 31 March 2015 | |
| | IALM (2006-08) | | IALM (2006-08) | |
| Retirement Age (Years) | 60 | | 60 | |
| Mortality table | IALM (2006-08) | | IALM (2006-08) | |
| Withdrawal rate | Age | Percentage | Age | Percentage |
| | Up to 30 years | 3 | Up to 30 years | 3 |
| | Up to 44 years | 2 | Up to 44 years | 2 |
| | Above 44 years | 1 | Above 44 years | 1 |

Estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Defined contribution plan

The Company has contributed ₹ 205.07 lakhs (previous year ₹ 216.66 lakhs) to Contribution to provident fund and employees' state insurance.

Other long term employee benefits

The Company, along with its subsidiary company, TV18 Broadcast Limited, has jointly established an Employee Welfare Plan dated 2 February 2009 for the benefit of their existing and future employees and to administer the same, a Trust named Network18 Group Senior Professional Welfare Trust has been constituted under the Indian Trusts Act, 1881 vide Trust Deed dated 19 February 2009.

The Employee Welfare Plan provides that any accretion to the corpus of the Trust (like dividends, profit on sale of investments, interest income, etc.) will be utilised for the benefit of beneficiaries upon occurrence of certain specific events. It further provides that the amount of benefit to be provided out of such accretion will be at the discretion of the trustees.

During the year ended 31 March 2016 and 31 March 2015, there were no net accretions to the corpus of the aforementioned Trust and accordingly no liability or plan assets have been provided/ recognised in these financial statements.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

33. Obligation on long term, non-cancellable operating leases

The Company has taken various office premises under operating lease agreements. The lease term of these leases ranges between 1 to 5 years and they are renewable by mutual consent. There are no sub leases or restrictions imposed by lease arrangements. There are certain lease agreements with escalation clauses during the initial lease term. Lease payments during the period recognised in the Statement of Profit and Loss amount to ₹ 773.83 lakhs (previous year ₹ 699.33 lakhs).

| Particulars | ₹ in lakhs | |
|---|------------------------|------------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| Payable not later than one year | 161.55 | 151.75 |
| Payable later than one year but not later than five years | 24.26 | 20.22 |
| Payable later than five years | - | - |
| Total | 185.81 | 171.97 |

| Particulars | ₹ in lakhs | |
|---|------------------------|------------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| 34. Contingent liabilities and other commitments | | |
| Capital commitments | 44.40 | 185.41 |
| Corporate guarantees given in connection with borrowings of subsidiaries: | | |
| TV18 Broadcast Limited (Formerly IBN18 Broadcast Limited) | - | 986.00 |
| TV18 Home Shopping Network Limited | 15,902.28 | 7,833.06 |
| Total | 15,946.68 | 9,004.47 |

The Company has issued letters of financial support to certain subsidiary companies – TV18 Home Shopping Network Limited, Web18 Software Services Limited and Infomedia Press Limited.

Claims against the Company not acknowledged as debts

Demand for stamp duty on transfer of property - ₹ 3,463.96 lakhs (previous year ₹ 86.77 lakhs).

Contingent payments under agreements for sale of subsidiaries - ₹ 169.93 lakhs (previous year ₹ 169.93 lakhs).

Other litigations

Victor Fernandes and others ('plaintiffs') had filed a derivative action suit before the Bombay High Court against Raghav Bahl, TV18 and other TV18 group entities alleging that all business opportunities undertaken by the Network18 Group should be routed through e-Eighteen.com Limited. The plaintiffs have valued their claim in the suit at ₹ 3,11,406.00 lakhs. The suit is currently pending. Victor Fernandes has also filed an appeal before the Hon'ble Supreme Court against an order of Securities Appellate Tribunal regarding grant of listing approval by NSE for the rights issue.

Based on the legal advice by the legal counsel, management is of the view that the above claim made by the plaintiffs is unlikely to succeed and has accordingly made no provisions for the same in the financial statements.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 35. Value of imported and indigenous material consumed | | |
| Paper, inks, printing and binding materials : | | |
| Raw materials and components | | |
| Imported | | |
| - Amount | 188.28 | 189.42 |
| - Percentage | 94% | 92% |
| Indigenous | | |
| - Amount | 12.45 | 16.43 |
| - Percentage | 6% | 8% |
| Total | 200.73 | 205.85 |
| Analysis of material consumed | | |
| Paper sheets | 16.27 | 30.67 |
| Paper reels | 184.46 | 175.18 |
| Total | 200.73 | 205.85 |

| Particulars | 31 March 2016 (amount of foreign currency) | 31 March 2016 (₹ in lakhs) | 31 March 2015 (amount of foreign currency) | 31 March 2015 (₹ in lakhs) |
|--|--|-------------------------------|--|-------------------------------|
| 36. Unhedged foreign currency exposure as at the reporting date as at 31 March 2016 | | | | |
| Import trade payable | | | | |
| Trade payable US\$ | 38,394.47 | 25.46 | 74,441 | 46.59 |
| Trade payable GBP | - | - | 1,402 | 1.30 |
| Trade payable S\$ | - | - | 150 | 0.07 |
| Export trade receivable | | | | |
| Trade receivable US\$ | 500,395 | 331.91 | 281,361 | 176.10 |
| Trade receivable GBP | 1,764 | 1.67 | 2,618 | 2.42 |

Rate of US\$- ₹ 66.33 (previous year ₹ 62.33)

Rate of GBP- ₹ 95.09 (previous year ₹ 92.55)

Rate of S\$ - ₹ 49.14 (previous year ₹ 45.43)

₹ in lakhs

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 37. Expenditure in foreign currency (accrual basis) | | |
| Content and franchise expenses | 67.24 | 100.58 |
| Distribution, advertising and business promotion | 23.76 | 9.47 |
| Communication costs | - | 3.68 |
| Membership and subscription | - | 0.26 |
| License fees | - | 0.15 |
| Legal and professional expenses | 4.57 | - |
| Site support cost | 86.88 | - |
| Repairs and maintenance- Plant and equipment | 14.95 | - |
| Repairs and maintenance- Others | 32.96 | - |
| Miscellaneous expenses | 9.55 | - |
| Total | 239.91 | 114.14 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 38. Earnings in foreign currency (accrual basis) | | |
| Advertising and sponsorship revenue | 1,176.23 | 931.89 |
| Other operating revenue | 44.21 | 73.84 |
| Total | 1,220.44 | 1,005.73 |

39. Employee Stock Option Plans

- a. The Company's Employee Stock Option Plans (ESOPs) framed in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('SEBI Guidelines') which have been approved by the Board of Directors and the Shareholders are listed below. Schemes listed at serial (i) to (iv) were established as mirror schemes of the then existing ESOP schemes in Television Eighteen India Limited, in terms of the Scheme of Arrangement.
- The Network18 Employees Stock Option Plan 2004 (ESOP 2004)
 - The Network18 Senior Employees Stock Option Plan 2004 (Senior ESOP 2004)
 - The Network18 Long Term Retention Employees Stock Option Plan 2005 (Long Term Retention ESOP 2005)
 - The Network18 Employees Stock Option Plan 2007 (ESOP 2007)

b. Salient terms of the ESOP schemes of the Company, in force, are:

₹ in lakhs

| Particulars | ESOP 2004 | Senior ESOP 2004 | Long Term Retention ESOP 2005 | ESOP 2007 |
|---------------------------|---|--|--|---|
| Number of options granted | 5,73,600 | 5,75,976 | 3,00,000 | 39,62,736 |
| Vesting date | After three years from the date of grant except as follows in respect of 2,13,000 options whose terms have been modified : (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011 | Except for 1,43,994 options, vesting details are as follows 1. One third after two years from the date of grant 2. Remaining two third after 4 years from the grant date. In respect of 1,43,994 options, vesting details are as follows : (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011 | At any time at the end of 4 years from the date of grant. | After one year from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Board. |
| Vesting requirements | Continuation of services and such other conditions as may be prescribed. | Continuation of services and such other conditions as may be prescribed. | Continuation of services and such other conditions as may be prescribed. | Continuation of services and such other conditions as may be prescribed. |
| Exercise period | During two years after the vesting date. | During two years after the vesting date. | During one year after the vesting date. | Exercise period will commence from the vesting date and extended up to the expiry period of the option as may be decided by the Board |
| Method of settlement | Equity settled | Equity settled | Equity settled | Equity settled |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

Details of modification in ESOP schemes in previous financial year

| | |
|--------------------------------|---|
| ESOP 2007 | - Exercise price of 1,80,071 options was reduced from ₹ 37.55 to ₹ 31.90 and exercise period was extended up to 2 March 2015 - Exercise period of 5,507 options was extended up to 5 February 2015 |
| ESOP 2004 and Senior ESOP 2004 | - Exercise period of was extended up to 5 February 2015 |

During the previous year the Company modified the terms of certain stock options by reducing the exercise price to bring the same in line with the market price.

| Particulars | Modification date -28 October 2013 | |
|---|------------------------------------|-------------------|
| | Pre-modification | Post modification |
| Dividend yield | 0.00% | 0.00% |
| Expected volatility | 55.40% | 55.40% |
| Risk-free interest rate | 8.33% | 8.33% |
| Weighted average share price (₹) | 31.90 | 31.90 |
| Weighted average exercise price (₹) | 34.88 | 29.91 |
| Expected life of options granted (in years) | 1.40 | 1.78 |

The volatility of the options is based on the historical volatility of the share price since the Company's equity shares are publicly traded.

c. Details of options and weighted average prices

| Particulars | ESOP 2004 | | SENIOR ESOP 2004 | | LONG TERM RETENTION ESOP 2005 | | ESOP 2007 | |
|---|-----------|---------------|------------------|---------------|-------------------------------|---------------|-----------|---------------|
| | Options | Weighted | Options | Weighted | Options | Weighted | Options | Weighted |
| | | Average Price | | Average Price | | Average Price | | Average Price |
| a) Outstanding at the beginning of the period | - | - | - | - | - | - | 1,01,300 | 31.90 |
| | -9,300 | -20 | -10,000 | -13.34 | -2,62,500 | -37.55 | -4,27,041 | -28.20 |
| b) Granted during the period | - | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| c) Exercised during the period | - | - | - | - | - | - | 1,00,000 | 31.90 |
| | -3,600 | -20 | -10,000 | -13.34 | (-) | (-) | -1,68,384 | -17.82 |
| d) Forfeited during the period | - | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| e) Expired during the period | - | - | - | - | - | - | 650 | 8.90 |
| | -5,700 | -20 | (-) | (-) | -2,62,500 | -37.55 | -1,57,358 | -7.56 |
| f) Outstanding at the end of the period | - | - | - | - | - | - | 650 | 28.90 |
| | (-) | (-) | (-) | (-) | (-) | (-) | -1,01,300 | 31.90 |
| g) Exercisable at the end of the period | - | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | -1,01,300 | -31.90 |
| h) Weighted average share price at the date of exercise | - | - | - | - | - | - | 1,01,300 | 31.90 |
| | -3,600 | -20 | -10,000 | -13.34 | (-) | (-) | -1,68,384 | -17.82 |
| i) Weighted average remaining contractual life (years) | - | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| j) Unvested Option outstanding at the end of the period | - | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

The Company has adopted the intrinsic value method as promoted by the SEBI (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of the options granted.

Had the Company used the fair value method in accordance with Black Scholes Model to determine employee stock compensation, its loss after tax and loss per share as reported would have changed to the amounts indicated below:

| Particulars | ₹ in lakhs | |
|---|------------------------|------------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| Loss after tax as reported | (9,096.10) | (68,755.17) |
| Add: ESOP cost using the intrinsic value method | - | (36.69) |
| Less: ESOP cost using the fair value method | - | (10.62) |
| Proforma loss after tax | (9,096.10) | (68,781.24) |
| Loss per Share (₹) | | |
| Basic | | |
| As reported | (0.87) | (6.57) |
| Proforma | (0.87) | (6.59) |
| Diluted | | |
| As reported | (0.87) | (6.57) |
| Proforma | (0.87) | (6.59) |

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs in the year 31 March 2016:

| | |
|---|---------|
| Dividend yield | 0.00% |
| Expected volatility | 66.93% |
| Risk-free interest rate | 5.19% |
| Weighted average share price (₹) | 109.35% |
| Weighted average exercise price (₹) | 113.44 |
| Expected life of options granted (in years) | 1.32 |

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

40. Dues to Micro and Small enterprises

Dues to small and micro enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development (“MSMED”) Act 2006#

₹ in lakhs

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Principal amount remaining unpaid | - | - |
| Interest due thereon | - | - |
| Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year | - | - |
| Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 | - | - |
| Interest accrued and remaining unpaid | - | - |
| Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

The details of amounts outstanding to micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as per available information with the Company.

41. Information pursuant to regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

₹ in lakhs

| Loans and advances in the nature of loans to subsidiaries | | Balance (including interest accrued) as on | | Maximum balance during the year ended | |
|---|------------|--|---------------|---------------------------------------|---------------|
| Name of the entity | Status | 31 March 2016 | 31 March 2015 | 31 March 2016 | 31 March 2015 |
| Infomedia Press Limited (formerly known as Infomedia 18 Limited) | Subsidiary | 2,998.34 | 2,571.69 | 2,998.34 | 2,571.69 |

There are no transactions of loans and advances to subsidiaries, associate firms/ companies in which directors are interested other than as disclosed above. The above loans and advances have been given for business purposes/ corporate general purposes.

The aforesaid loanee company has not made any investment in the shares of the Company.

42. Barter transactions

The Company enters into barter transactions, which are recorded at the fair value of consideration receivable or payable. The statement of profit and loss for the year 31 March 2016 reflects revenue from barter transactions of ₹ nil (previous year ₹ 43.80 lakhs) and expenditure of ₹ nil (previous year ₹ 43.80 lakhs) being the fair value of barter transactions provided and received.

43. The Company has foreign currency receivables aggregating to ₹ 516.30 lakhs (previous year ₹ 523.82 lakhs) which are outstanding for more than nine months and foreign currency payables aggregating to ₹ 24.67 lakhs (previous year ₹ 33.05 lakhs) which are outstanding for more than six months. The Company is in the process of dealing with the statutory implications of these delays and the management is of the view that the same would not have a material impact on these financial statements.

Summary of the Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| 44. Deferred taxes assets | | |
| Deferred tax assets is on account of: | | |
| Timing difference on account of depreciation and amortisation on fixed assets | 228.37 | 375.90 |
| Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis | 103.35 | 122.87 |
| Provision for doubtful debts | 646.45 | 607.00 |
| Carried forward losses | 28,172.57 | 24,815.83 |
| Deferred taxes assets recognised | - | - |

The Company has unabsorbed depreciation and brought forward losses under the Income-tax Act, 1961. In the absence of virtual certainty of having sufficient taxable income against which deferred tax assets can be realised, no deferred tax assets has been recognised in the balance sheet.

45. Details of loans given, investments made and guarantees given covered u/s 186(4) of the Act.

Loans and corporate guarantees given and Investments made, are given under respective heads.

46. As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

47. Previous year figures have been regrouped, wherever necessary, to confirm to current year presentation.

This is as per our report of even date.

For **Walker Chandiook & Co LLP**
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Independent Auditor's Report

To the Members of Network18 Media & Investments Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Network18 Media & Investments Limited, (the 'Holding Company'), its subsidiaries, its associates and jointly controlled entities (the Holding Company, its subsidiaries, associates and jointly controlled entities together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, associates and jointly controlled entities as noted below, the aforesaid consolidated financial statements give

the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2016, their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

9. (a) We did not audit the financial statements of 22 subsidiaries and 11 jointly controlled entities, included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹ 463,814.56 lakhs as at 31 March 2016, total revenues (after eliminating intra-group transactions) of ₹ 271,152.77 lakhs and net cash flows amounting to ₹ 3,393.78 lakhs for the year ended on that date. The consolidated financial statements also include the Group's share of net profit of ₹ 419.92 lakhs for the year ended 31 March 2016, as considered in the consolidated financial statements, in respect of 4 associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of 1 subsidiary included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹ 663.12 lakhs as at 31 March 2016, total revenues (after eliminating intra-group transactions) of ₹ nil lakhs and net cash flows amounting to ₹166.31 lakhs for the year ended on that date. The consolidated financial statements also include the Group's share of net profit of ₹ 12.33 lakhs for the year ended 31 March 2016, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, and based on the auditor's reports of the, subsidiaries, associates and jointly controlled entities, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended);
 - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and jointly controlled entities incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company, its subsidiary companies, associate companies and jointly controlled entities, which are companies incorporated in India, as of 31 March 2016, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date and our report dated 20 April 2016 as per Annexure I expressed unqualified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) as detailed in Note 34, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
- (ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- (iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and two of the subsidiary companies, incorporated in India. There

were no amounts which were required to be transferred to the Investor Education and Protection Fund by the other subsidiary companies, associate companies and joint controlled companies incorporated in India.

For **Walker Chandiook & Co LLP**
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **B P Singh**
Partner
Membership No.: 70116

Place : Noida
Date : 20 April 2016

Annexure I

To the Independent Auditor's Report of even date to the members of Network18 Media & Investments Limited on the consolidated financial statements for the year ended 31 March 2016

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the consolidated financial statements of the Network18 Media & Investments Limited (the 'Holding Company'), its subsidiaries, its associates and jointly controlled entities (the Holding Company, its subsidiaries, associates and jointly controlled entities together referred to as the 'Group'), as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary companies, its associate companies and its jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and its jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial

Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. We did not audit the IFCoFR insofar as it relates to 18 subsidiary companies and 6 jointly controlled companies, which are companies incorporated in India, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹ 453,210.99 lakhs as at 31 March 2016, total revenues (after eliminating intra-group transactions) of ₹ 260,759.79 lakhs and net cash outflows amounting to ₹ 3,507.81 lakhs for the year ended on that date; and 4 associate companies, which are companies incorporated in India, in respect of which, the Group's share of net profit of ₹ 419.92 lakhs for the year ended 31 March 2016 has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities, which are companies incorporated in India, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiaries, associates and jointly controlled entities, which are companies incorporated in India, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

For **Walker ChandioK & Co LLP**
(formerly Walker, ChandioK & Co)
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

per **B P Singh**
 Partner
 Membership No.: 70116

Place : Noida
 Date : 20 April 2016

Consolidated Balance Sheet

As at 31 March 2016

₹ in lakhs

| | Notes | As at 31 March 2016 | As at 31 March 2015 |
|---|-------|------------------------|------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 52,347.43 | 52,342.43 |
| Reserves and surplus | 4 | 1,06,952.74 | 1,09,664.36 |
| Minority interest | | 1,89,947.93 | 1,80,670.61 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 10,168.79 | 15,505.15 |
| Other long-term liabilities | 6 | 222.62 | 113.91 |
| Long-term provisions | 7 | 4,276.02 | 3,616.92 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 96,728.78 | 80,684.59 |
| Trade payables | | | |
| Due to micro and small enterprises | 9 | 168.18 | 23.06 |
| Others | 9 | 87,501.16 | 73,292.54 |
| Other current liabilities | 10 | 37,906.94 | 40,129.79 |
| Short-term provisions | 11 | 14,144.34 | 14,025.80 |
| TOTAL | | 6,00,364.93 | 5,70,069.16 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 12 | 24,746.09 | 19,896.57 |
| Intangible assets | 12 | 5,181.53 | 4,277.09 |
| Capital work-in-progress | | 2,050.73 | 1,469.79 |
| Intangible assets under development | | 1,146.87 | 390.90 |
| Goodwill on consolidation | | 2,41,077.17 | 2,38,515.04 |
| Non-current investments | 13 | 64,920.65 | 63,184.35 |
| Deferred tax assets (net) | 14 | 825.82 | 974.70 |
| Long-term loans and advances | 15 | 70,702.84 | 58,029.27 |
| Other non-current assets | 16 | 13.44 | 4.42 |
| Current assets | | | |
| Current investments | 17 | 5,515.48 | 10,721.77 |
| Inventories | 18 | 51,561.42 | 40,888.76 |
| Trade receivables | 19 | 70,751.94 | 61,690.58 |
| Cash and bank balances | 20 | 20,494.71 | 30,991.65 |
| Short-term loans and advances | 21 | 37,145.02 | 34,886.45 |
| Other current assets | 22 | 4,231.22 | 4,147.82 |
| TOTAL | | 6,00,364.93 | 5,70,069.16 |
| Significant accounting policies | | | |
| See accompanying notes forming part of these consolidated financial statements. | | | |

This is as per our report of even date.

For **Walker Chandiook & Co LLP**
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Consolidated Statement of Profit and Loss

For the year ended 31 March 2016

| | Notes | 2015-16 | 2014-15 |
|--|-------|--------------------|----------------------|
| ₹ in lakhs | | | |
| REVENUE | | | |
| Revenue from operations | 23 | 3,40,331.01 | 3,12,656.72 |
| Other income | 24 | 9,167.85 | 6,481.43 |
| Total revenue | | 3,49,498.86 | 3,19,138.15 |
| EXPENSES | | | |
| Programming cost | | 77,128.77 | 76,839.31 |
| Distribution, advertising and business promotion | | 84,381.06 | 82,544.02 |
| Cost of materials consumed and traded goods sold | 25 | 297.89 | 568.71 |
| Employee benefits expense | 26 | 66,908.04 | 56,932.20 |
| Finance costs | 27 | 9,505.70 | 11,317.60 |
| Depreciation and amortisation expense | 12 | 8,970.59 | 7,518.79 |
| Other expenses | 28 | 93,666.08 | 80,476.19 |
| Total expenses | | 3,40,858.13 | 3,16,196.82 |
| Profit before exceptional items, prior period items, tax, minority interest and share in profit of associates | | 8,640.73 | 2,941.33 |
| Exceptional items | 29 | - | (1,05,537.14) |
| Prior period items | 30 | - | (6,408.92) |
| Profit/(loss) before tax, minority interest and share in profit of associates | | 8,640.73 | (1,09,004.73) |
| Profit/(loss) for the year from continuing operation before tax | | 8,708.13 | (1,08,961.72) |
| Income tax expense of continuing operation | | | |
| Current tax expense | | 7,104.70 | 5,632.97 |
| Less: Minimum alternate tax credit | | (2,639.24) | (1,408.29) |
| Tax expense relating to earlier years | | 160.62 | 31.98 |
| Net current tax expense | | 4,626.08 | 4,256.66 |
| Deferred tax charge/ (benefit) | | 154.70 | (358.86) |
| Net tax expense | 31 | 4,780.78 | 3,897.80 |
| Profit/(loss) from continuing operation after tax | | 3,927.35 | (1,12,859.52) |
| Loss from discontinuing operation after tax | | (67.40) | (43.01) |
| Profit/(loss) after tax for the year before minority interest and share in profit of associates | | 3,859.95 | (1,12,902.53) |
| Minority interest in profit/(loss) | | 7,760.98 | (5,719.93) |
| Share in profit of associates | | 432.25 | 1,191.72 |
| Loss for the year | | (3,468.78) | (1,05,990.88) |
| Loss attributable to owners of the Company | | (3,468.78) | (1,05,990.88) |
| Minority interest | | 7,760.98 | (5,719.93) |
| Earnings per share (basic and diluted) | 32 | (0.33) | (10.13) |
| Significant Accounting Policies | | | |
| See accompanying notes forming part of these consolidated financial statements. | | | |

This is as per our report of even date.

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Consolidated Cash Flow Statement

For the year ended 31 March 2016

₹ in lakhs

| | 2015-16 | 2014-15 |
|--|-------------------|-------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/(loss) before tax | 8,640.73 | (1,09,004.73) |
| Adjustments for : | | |
| Depreciation and amortisation expenses | 8,970.59 | 7,518.79 |
| Loss on sale/disposal of fixed assets (net) | 58.67 | 91.11 |
| Employee stock compensation expenses | (53.65) | (242.34) |
| Finance costs | 9,505.70 | 11,317.60 |
| Bad debts and advances written off/ provided for | 3,037.74 | 2,265.18 |
| Exchange fluctuation (net) | 20.28 | 261.01 |
| Dividend on current investments | (156.97) | (310.29) |
| Dividend on long term investments | - | (0.83) |
| Profit on sale of current investments | (950.51) | (234.10) |
| Excess provisions written back | (1,988.29) | (2,962.80) |
| Interest income | (845.20) | (2,299.22) |
| Gain on dilution of stake/disposal of investment(s) in subsidiary/ subsidiaries | (4,379.27) | - |
| Provision for diminution in value of long term investments | - | 14,282.65 |
| Obsolescence/impairment (accelerated depreciation) of tangible and intangible assets | - | 8,254.88 |
| Provision for impairment of goodwill/ other assets | - | 87,348.26 |
| Operating profit before working capital changes | 21,859.82 | 16,285.17 |
| Adjustments for : | | |
| Increase in loan and advances, other assets, inventories and trade receivables | (42,778.99) | (30,885.24) |
| Increase in trade payables, provisions and other liabilities | 32,276.82 | 13,676.60 |
| Cash flow from operations | 11,357.65 | (923.47) |
| Taxes paid (net of refund) | (14,278.36) | (9,016.88) |
| Net cash used in operating activities | (2,920.71) | (9,940.35) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets (including capital advances) | (18,382.98) | (13,260.41) |
| Sale of fixed assets | 177.84 | 10,777.55 |
| Disposal of interest/investments in subsidiaries | 2,368.75 | 2,913.30 |
| (Purchase)/sale of current investments (net) | 6,156.80 | (1,069.83) |
| Purchase of long term investments: | | |
| - in subsidiaries | (843.87) | - |
| - in other companies | (1,114.71) | (1,300.11) |
| Decrease in other bank balances | 1,241.76 | 12,591.99 |
| Interest received | 1,051.56 | 2,465.35 |
| Dividend received on current investments | 156.97 | 310.29 |
| Dividend received on long term investments | - | 0.83 |
| Net cash (used in)/ from investing activities | (9,187.88) | 13,428.96 |

Consolidated Cash Flow Statement

For the year ended 31 March 2016

| | ₹ in lakhs | |
|---|------------------|-------------------|
| | 2015-16 | 2014-15 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Finance costs | (8,897.02) | (14,524.22) |
| Proceeds from issue of equity shares (including securities premium) | 32.10 | 130.57 |
| Share application money received | - | 3,918.00 |
| Proceeds from issue of shares by subsidiary | - | 7,998.07 |
| Repayment of long term borrowings | (3,549.13) | (20,606.26) |
| Proceeds from long term borrowings | 2,346.44 | 12,665.16 |
| Proceeds from short term borrowings (net) | 15,681.99 | 2,361.50 |
| Net cash from / (used in) financing activities | 5,614.38 | (8,057.18) |
| Net decrease in cash and cash equivalents | (6,494.21) | (4,568.59) |
| Cash and cash equivalents as at the beginning of the year | 25,098.60 | 29,622.16 |
| Exchange differences on cash and cash equivalents | 73.38 | 45.03 |
| Cash and cash equivalents adjustment on account of Prism TV Private Limited | (160.83) | - |
| Cash and cash equivalents as at the end of the year | 18,516.94 | 25,098.60 |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| In current accounts | 8,105.50 | 9,901.38 |
| In deposit accounts | 9,140.06 | 11,792.10 |
| Cheques/drafts on hand | 1,211.48 | 3,364.56 |
| Cash on hand | 59.90 | 40.56 |
| | 18,516.94 | 25,098.60 |

- The above cash flow statement has been prepared under the indirect method set out in Accounting Standard 3, 'Cash Flow Statement'
- Figures in brackets indicate cash outflow.
- Previous year figures have been regrouped and recast wherever necessary to conform to the current year classification.

Significant Accounting Policies

See accompanying notes forming part of these consolidated financial statements.

This is as per our report of even date.

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

- These consolidated financial statements comprise a consolidation of the financial statements of Network18 Media & Investments Limited (“the Company” or “Network18” or “the parent”), its subsidiaries, jointly controlled entities and associates (hereinafter collectively referred to as the “Group”) as listed below:

| S. No. | Name of consolidated entity | Country of incorporation | Percentage of holding |
|---|---|--------------------------|-----------------------|
| Direct subsidiaries | | | |
| 1 | Network18 Holdings Limited | Mauritius | 100 |
| 2 | Capital18 Fincap Private Limited | India | 100 |
| 3 | Television Eighteen Mauritius Limited (TEML) | Mauritius | 100 |
| 4 | Television Eighteen Media and Investments Limited (TEML) | Mauritius | 100 |
| 5 | Digital18 Media Limited | India | 100 |
| 6 | TV18 Broadcast Limited | India | 51.16 |
| 7 | Infomedia Press Limited | India | 50.69 |
| Subsidiary by virtue of control of composition of Boards of Directors | | | |
| 8 | Big Tree Entertainment Private Limited * | India | 39.35 |
| Subsidiaries of subsidiary companies | | | |
| Subsidiaries of TV18 Broadcast Limited | | | |
| 9 | RVT Media Private Limited | India | 100 |
| 10 | ibn18 (Mauritius) Limited | Mauritius | 100 |
| 11 | Equator Trading Enterprises Private Limited (Equator) | India | 100 |
| Subsidiary of RVT Media Private Limited | | | |
| 12 | AETN18 Media Private Limited | India | 51 |
| Subsidiaries of Equator Trading Enterprises Private Limited | | | |
| 13 | Panorama Television Private Limited | India | 100 |
| 14 | Prism TV Private Limited (upto 31 July 2015) ** | India | 50 |
| Subsidiaries of Television Eighteen Mauritius Limited, Mauritius | | | |
| 15 | Capital18 Limited (upto 03 June 2014) | Mauritius | 100 |
| 16 | BK Holdings Limited (upto 03 June 2014) | Mauritius | 100 |
| Subsidiary of Television Eighteen Media & Investments Limited, Mauritius | | | |
| 17 | Web18 Holdings Limited # | Cyprus | 100 |
| Subsidiary of Web18 Holdings Limited, Cyprus | | | |
| 18 | E-18 Limited | Cyprus | 100 |
| Subsidiaries of E-18 Limited, Cyprus | | | |
| 19 | e-Eighteen.com Limited | India | 91.95 |
| 20 | Web18 Software Services Limited | India | 100 |
| Subsidiary of e-Eighteen.com Limited | | | |
| 21 | Moneycontrol Dot Com India Limited | India | 100 |
| Subsidiaries of Network18 Holdings Limited, Mauritius | | | |
| 22 | NW18 HSN Holdings Plc ## | Cyprus | 53.71 |
| Subsidiaries of NW18 HSN Holdings Plc, Cyprus | | | |
| 23 | TV18 Home Shopping Network Limited | India | 100 |
| Subsidiaries of Capital18 Fincap Private Limited | | | |
| 24 | RRK Finhold Private Limited | India | 100 |
| 25 | RVT Finhold Private Limited | India | 100 |
| 26 | RRB Investments Private Limited | India | 100 |
| 27 | Setpro18 Distribution Limited | India | 100 |
| 28 | Stargaze Entertainment Private Limited (upto 23 April 2015) | India | 90 |
| 29 | Reed Infomedia India Private Limited | India | 100 |
| 30 | Colosseum Media Private Limited | India | 100 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| S. No. | Name of consolidated entity | Country of incorporation | Percentage of holding |
|---|--|--------------------------|-----------------------|
| Subsidiaries of RVT Finhold Private Limited | | | |
| 31 | Greycells18 Media Limited ### | India | 74.22 |
| Subsidiaries of Capital18 Limited, Mauritius | | | |
| 32 | Webchutney Studio Private Limited (upto 23 May 2014) | India | 70.60 |
| Subsidiaries of Webchutney Studio Private Limited | | | |
| 33 | Blue Slate Media Private Limited (upto 23 May 2014) | India | 100 |
| Subsidiaries of Big Tree Entertainment Private Limited | | | |
| 34 | Fantain Sports Private Limited (wef 17 February 2016) | India | 51 |
| 35 | Spacebound Web Labs Private Limited (wef 23 April 2015) | India | 56.14 |
| 36 | Big Tree Entertainment Singapore PTE Limited (wef 4 November 2015) | Singapore | 100 |
| Joint ventures of TV18 Broadcast Limited | | | |
| 37 | IBN Lokmat News Private Limited | India | 50 |
| 38 | Viacom18 Media Private Limited | India | 50 |
| 39 | Viacom18 Media (UK) Limited ^ | UK | 100 |
| 40 | Viacom18 US Inc ^ | US | 100 |
| 41 | Roptonal Limited ^ | Cyprus | 100 |
| 42 | The Indian Film Company Limited (upto 19 January 2015) ^ ^ | Cyprus | 100 |
| 43 | IndiaCast Media Distribution Private Limited | India | 50 |
| 44 | Indiacast Distribution Private Limited (earlier Indiacast UTV Media Distribution Private Limited)@ | India | 100 |
| 45 | IndiaCast UK Limited @ | UK | 100 |
| 46 | IndiaCast US Limited @ | US | 100 |
| Joint Venture of Equator Trading Enterprises Private Limited | | | |
| 47 | Prism TV Private Limited (wef 01 August 2015) | India | 50 |
| Joint Venture of Capital18 Fincap Private Limited | | | |
| 48 | Ubona Technologies Private Limited | India | 50 |
| Associates of Capital18 Fincap Private Limited | | | |
| 49 | Aeon Learning Private Limited | India | 25 |
| 50 | 24 X 7 Learning Private Limited (upto 28 March 2016) | India | 37.48 |
| Associates of RVT Finhold Private Limited | | | |
| 51 | 24 X 7 Learning Private Limited (wef 29 March 2016) | India | 37.48 |
| Associate of RRK Finhold Private Limited | | | |
| 52 | Wespro Digital Private Limited (upto 8 April 2015) | India | 44 |
| Associate of Equator Trading Enterprises Private Limited | | | |
| 53 | Eenadu Television Private Limited | India | 24.5 |
| Associate of Big Tree Entertainment Private Limited | | | |
| 54 | Book My Show Limited and its fully owned subsidiary Book My Show (NZ) Limited | New Zealand | 26 |

* The Company holds 15.26% of the shareholding directly and 24.09% of the shareholding through E-18 Limited, Cyprus.

** The Company was subsidiary of Equator Trading Enterprises Private Limited by virtue of control of composition of Boards of Directors.

The Company holds 95.78% of the shareholding through TEMIL and 4.22% of the shareholding through TEMPL.

Percentage determined as per shareholders agreement between SAIF II Mauritius Company Limited, G S Home Shopping Inc., Makira SP5 Limited, Orchard Centar Master Limited and Network18 Holdings Limited.

The Company holds 72.71% of the shareholding through RVT Finhold Private Limited and 1.51% through Capital18 Fincap Private Limited.

^ Wholly owned subsidiary of Viacom18 Media Private Limited.

^^ Subsidiary of Roptonal Limited.

@ Subsidiary of IndiaCast Media Distribution Private Limited.

Network 18 Group Senior Professional Welfare Trust, a trust formed for the welfare of specified employees of the Company and its subsidiaries has not been consolidated since no economic benefit will flow to the Company from this trust.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

2. Significant Accounting Policies

A. Basis of preparation of financial statements

The consolidated financial statements of the Company, its subsidiaries, associates and jointly controlled entities (collectively referred to as the 'Group') have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the provisions of the Act. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

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 Revised Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of its assets and liabilities.

B. Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that effect the reported amount of assets and liabilities, disclosure of contingent liabilities and the reported amount of income and expenses during the year. Difference between the actual results and estimates are recognised in the periods in which the results are known/materialise.

C. Principles of consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries, jointly controlled entities and associates. The consolidated financial statements of the Group have been prepared in accordance with Accounting Standard (AS 21) 'Consolidated Financial Statements', AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS 27 'Financial Reporting of Interests in Joint Ventures' (as applicable) notified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014

(as amended). The consolidated financial statements are prepared on the following basis:

- i. Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated statement of cash flows and other explanatory information forming part of the consolidated financial statements. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent for standalone financial statements.
- ii. The consolidated financial statements include the financial statements of the Company and all its subsidiaries, which are more than 50 per cent owned or whose composition of Board of Directors is controlled by the Company. Investments in entities that were not more than 50 per cent owned or controlled during the year have been accounted for in accordance with the provisions of Accounting Standard 13 'Accounting for Investments', or Accounting Standard 23 'Accounting for Investments in Associates in Consolidated Financial Statements', or Accounting Standard 27 'Financial Reporting of Interests in Joint Ventures'.
- iii. The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting elimination of unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the entity to be consolidated. Financial interest in jointly controlled entities has been accounted for under the proportionate consolidation method.
- iv. Investments in associates are accounted for using the equity method. The excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as goodwill and included in the carrying value of the investment in the associate. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the associate. However,

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped.

- v. Minority interest represents the amount of equity attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in equity since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of equity attributable to the minority on the date of investment is reflected under Reserves and Surplus.
- vi. Notes forming part of the consolidated financial statements, represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements.

D. Revenue recognition

Revenue comprises revenue from media operations, commission income, income from sale of products and services and other operating revenue.

Revenue is recognised when it is measurable, at the time of sale or rendering of service, it would not be unreasonable to expect ultimate collection, and when the criteria of recognition for each of the Group's different activities have been met. These activity-specific recognition criteria are described below.

Revenue from media operations

Advertisement revenue

The Group's advertisement revenue comprises of revenue from sale of advertising time/space in electronic media, sale of advertising space in business directories/special interest magazines and revenue from sponsorship contracts.

Revenue from sale of advertising time/space in electronic media is recognised when advertisements are telecast or displayed in accordance with contractual obligations.

Advertising and sponsorship revenue from websites is

recognised proportionately over the contractual period of advertisement, commencing when the advertisement is placed on the website, unless the Company has to meet performance conditions in which case revenue is recognised using the proportionate completion method. Advertising revenue from magazines is recognised in the period in which the magazines are delivered and are accounted net of commission and discounts. Revenue from sponsorships of event is recognised after the completion of event.

Revenue from mobile short messaging and other related services are recognised based on usage of services by the mobile subscribers and share of revenue agreed with the mobile network operators.

Sale of magazines includes revenue from circulation of magazines and subscription of magazines. Revenue from circulation of magazines includes sales to retail outlets/newsstands, which are subject to returns. The Group records these retail sales upon delivery, net of estimated returns. These estimated returns are based on historical return rates and are revised as necessary based on actual returns.

Subscription revenue

The Group's subscription revenue comprises of income from distribution of channels, income from Group's print publications and income from providing information in connection with the Indian stock markets and commodities markets to a registered user base.

Subscription revenue from distribution of channels is recognised on accrual basis in accordance with the terms of the contract.

Revenue from subscription of magazines is recognised on delivery of magazines to subscribers.

Subscription revenues from providing information in connection with the Indian stock markets and commodities markets is recognised ratably over the period of the subscription.

Licensing and merchandising revenue

- Revenue from licensing and merchandising are recognised as per the terms of the arrangement

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

- Revenue from licensing of content is recognised in accordance with the licensing agreement or on physical delivery of content, whichever is later.

Sale of film rights and programmes

- Revenues from theatrical distribution of movies are recognised in accordance with the licensing agreement as the films are screened and is stated at the minimum guarantee due and where applicable, the Group's share of box office receipts in excess of the minimum guarantee. Revenue from sale of rights such as satellite, broadcasting, or music rights is recognised in accordance with the licensing arrangements when the Group has no remaining obligations to perform and all other conditions for sale have been met.
- Revenue from sale of television content is recognised on transmission of audio-video content to the customer and their acceptance.
- Revenue from media related professional and consultancy services is recognised in accordance with contracts on rendering of services.

Circulation revenue

Revenue from circulation of magazines includes sales to retail outlets/ newsstands, which are subject to returns. The Company records these retail sales upon delivery, net of estimated returns. These estimated returns are based on historical return rates and are revised as necessary based on actual returns.

Revenue from events

Revenue from events is recognised after the completion of event.

Barter transactions

Barter transactions are recorded at fair value, being the value at which similar transactions are executed with other parties.

Program Revenue

Program revenue is recognised on dispatch of programs to customers in accordance with contractual commitments. Revenue from licensing and merchandising are recognised as per the terms of the arrangement.

Commission income

Commission on sale of product and reimbursement of freight and collection expenses is recognized at the time of delivery of products by the courier companies to customer in accordance with contracted terms with the vendors.

Revenue from convenience fee on online booking of ticket is recognised when the tickets are confirmed. Out of the convenience fee, certain portion of revenue share of the cinema owners is recognised as an expense.

Sale of products and services

Revenue from printing jobs is recognised when the printed material is dispatched and is accounted net of taxes.

Revenue from reimbursement of freight and collection expenses is recognised at the time of delivery of products by the courier companies to customer in accordance with contracted terms with the vendors.

Revenue from sale of stalls at exhibitions organised by the Group is recognised after completion of exhibition.

Rental income

Facility and equipment rental is accounted for on the accrual basis for the period of use of equipment by the customers.

Dividend income

Dividend income is recognised when the right to receive dividend is established.

Investment income

Profit / loss on sale of investments are computed on the basis of weighted average cost on date of disposal of investments.

Interest income

Interest income is recognised on time proportionate basis, taking into account the amount outstanding and the rate applicable.

E. Fixed assets

Tangible assets

Tangible assets are stated at historical cost less accumulated depreciation and impairment. Cost comprises the purchase price net of any trade discounts and rebates, any import

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duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation and impairment.

Acquired brands/domain names are capitalised at cost of acquisition and disclosed as intangible assets.

Website development costs that provide additional functions or features to the Group's website are capitalised. Maintenance expenses or costs that do not result in new features or functions are expensed as incurred.

F. Depreciation and amortisation

Depreciation has been provided on the useful life of its fixed assets as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The useful life of fixed assets has been reassessed during the year and computed depreciation as provided in Schedule II to the Companies Act, 2013.

| Asset | Useful life |
|---|--|
| Leasehold land | Over the lease period |
| Leasehold improvements | 3 years or remaining period of lease whichever is less |
| Plant and equipment | 5-10 years |
| Information technology and related equipments | 3-6 years |
| Furniture and fixtures | 5-10 years |
| Building | 30 years |
| Vehicles | 8 years |

Intangible assets are amortised over their estimated useful life as follows:

| Asset | Useful life |
|---------------------------------|-------------|
| News archives | 21 years |
| Computer software | 3-5 years |
| Programming cost | 0-2 years |
| Goodwill | 5 years |
| Brands/ trademarks | 5 years |
| Copyrights and operating rights | 3-10 years |
| Licenses | 5 years |

G. Goodwill on consolidation

The difference between the cost of investment to the Group in subsidiaries, associates and jointly controlled entities and the proportionate share in the equity of the investee company as at the date of acquisition of stake is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

H. Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the consolidated statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the consolidated statement of profit and loss.

I. Inventory valuation

Inventory excluding programme rights, is valued as follows:

Raw materials and consumables: Lower of cost and net realisable value. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis except in case of video tapes cost of which is determined using First in First out (FIFO) method.

Work-in-progress and finished goods: Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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Program costs are expensed over the license period or as determined in this policy as mentioned hereunder, whichever is earlier:

- Cost of shows produced are amortised at 90% in the first year of telecast and balance is amortised evenly in the subsequent financial year. However, short format shows are expensed in the year of production and telecast.
- Acquired rights of shows are amortised evenly over the license period.
- In-house produced animated shows/ movies are amortised evenly over four years and live action shows are amortised equally over the period of two years.
- In case of events where the rights are for more than one year, 60% of the cost are amortised in the year of telecast and the balance is amortised equally in the subsequent years. In case the right is for a single year, the entire amount is expensed in the year of telecast.
- Cost of cable and satellite movie rights acquired are amortised on the exploitation of such rights based on the management estimates of future revenue potential. In case of equator the prime time movies are amortised at 30% in first airing and balance over licence period.
- In case of film production and distribution, the Group amortises film cost using the individual-film-forecast method. Under this method, such costs are amortised for each film in the ratio that current period revenue for such films bears to management's estimate of remaining unrecognised ultimate revenue as at the beginning of the current fiscal year. Management regularly reviews and revises, where necessary, its total estimates on a film-by-film basis, which may result in a change in the rate of amortisation and/ or a write down of the inventory to recoverable amount.
- Few Group entities evaluate the realisable value and/ or revenue potential of inventory on an ongoing basis and appropriate write down is made in cases where accelerated write down is warranted.
- Serials and programs purchased or produced in house which are yet to be telecasted are carried at cost by Equator. Cost includes amount paid/ payable to the producers for serials and programs purchased. Cost of programs produced in-house includes remuneration to artists, directors and technicians, location expenses and other production costs. Provision for impairment is made for episodes of serials and programs not telecast for more than a year. Serials and programs purchased and the costs of serials and programs produced in-house are expensed off based on number of episodes telecast during the period. Cost of news/ current affairs / one- time events are fully expensed off on first telecast.
- Inventories for final episode are stated at cost, which includes direct episode cost, other direct expenses like, media professional, editing charges, animation cost, pilot cost, salary and other expenses of content and production staff etc. which has been added in the episode cost on pro-rata basis. The stock of episodes written off over its useful life of these episodes, which is estimated at three years.
- Channel packaging are stated at cost and written off over its useful life of these packaging, which is estimated at three years.

J. Investments

Current investments are carried at lower of cost and quoted / fair value. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

K. Employee benefits

Provident fund

The Employees Provident Fund scheme of entities within the Group is a defined contribution plan. The Group's contribution to the Employees' Provident Fund is charged to the consolidated statement of profit and loss during the period in which the employee renders the related service.

Gratuity

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees.

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The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation is based on the market yields on government securities as at the balance sheet date. Actuarial gains/losses are recognised immediately in the consolidated statement of profit and loss.

Certain entities within the Group make contributions to funds administered and managed by the insurance companies based on the amount notified by the said insurance companies.

Compensated absences

Benefits comprising long term compensated absences are other long term employee benefits. The liability for compensated absences is determined using the Projected Unit Credit Method, on the basis of an actuarial valuation at the period end. Actuarial gains and losses are recognised immediately in the consolidated statement of profit and loss.

Short term employee benefits

Short term employee benefits expected to be paid or payable in exchange for the services rendered is recognised on undiscounted basis.

Voluntary retirement compensation is fully charged off in the year of severance of service of the employee.

L. Foreign currency transactions

Relating to overseas entities

Indian Rupee is the reporting currency for the Group. However, reporting currencies of certain non-integral overseas subsidiaries are different from the reporting currency of the Group. The translation of local currencies into Indian Rupee is performed for assets and liabilities (excluding share capital and opening reserves and surplus), using the exchange rate as at the balance sheet date.

Revenues, costs and expenses are translated using weighted average exchange rate during the reporting period. The

resultant currency translation exchange gain/ loss is carried as foreign currency translation reserve under reserves and surplus. Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investment.

Relating to Indian entities

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian Rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the consolidated statement of profit and loss.

M. Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset when it is probable that they will result in future economic benefits to the Group and the costs can be measured reliably.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

N. Employee stock options

Accounting value of stock options is determined on the basis of 'intrinsic value' representing the excess of the market price on the date of grant over the exercise price of the options granted under the "Employees Stock Option Scheme" of the Company, and is being amortised as "Deferred employee compensation" on a straight-line basis over the vesting period in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and Guidance Note 18 "Share Based Payments" issued by the Institute of Chartered Accountants of India ("ICAI").

O. Income-tax

Income-tax comprises current tax and deferred tax. Current tax is determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax charge or credit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal, subject to consideration of prudence,

Summary of Significant Accounting Policies

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in one or more subsequent periods. In situation, where the company has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Minimum alternate tax (MAT) paid in accordance with Income Tax Act, 1961, which gives rise to future economic benefit in the form of adjustment from income tax liability, is recognised as an adjustment to current tax when it is certain that the Group will be able to set off the same.

Tax provisions for overseas subsidiaries/ jointly controlled entities are determined in accordance with the tax laws of their respective country of incorporation.

P. Website development costs

Costs incurred in the planning or conceptual development of websites are expensed off as incurred. Once the planning or conceptual development of a website has been achieved, and the project has reached the application development stage, the Group capitalises all costs related to web site application and infrastructure development including costs relating to the graphics and content development stages. Training and routine maintenance costs are expensed off as incurred.

Q. Provisions and contingencies

Provision recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

R. Leases

i. Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the consolidated statement of profit and loss on a straight-line basis over the term of lease.

ii. Finance lease

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of assets and present value of minimum lease rentals is capitalised as fixed assets with the corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease liability and the interest component is charged to the consolidated statement of profit and loss.

S. Earnings per share

The Group reports basic and diluted earnings per share in accordance with Accounting Standard 20 'Earnings per Share'. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

T. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash on hand and short-term investments with an original maturity of three months or less.

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and other explanatory information for the year ended 31 March 2016

U. Segment information

i. Identification of Segments:

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

ii. Intersegment transfers

Inter segment revenue have been accounted for based on the transaction price agreed to between the segments which is primarily market led.

iii. Segment policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparation and presenting the financial statements of the Group as a whole.

The accounting policies adopted for segment reporting are in line with those of the Group with the following additional policies for segment reporting:

- Inter segment revenues have been accounted for based on the transaction price agreed to between segments at estimated cost of the transferor segment.
- Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.
- Revenues and expenses, which relate to the group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Unallocated corporate expense also includes taxes and finance charges and other unallocable corporate expenses.
- Assets and liabilities, which relate to the group as a whole and are not allocable to segments on a reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 3 Share capital | | |
| Authorised share capital | | |
| 5,00,00,00,000 (previous year 5,00,00,00,000) equity shares of ₹ 5 each | 2,50,000.00 | 2,50,000.00 |
| 11,00,000 (previous year 11,00,000) preference shares of ₹ 100 each | 1,100.00 | 1,100.00 |
| 1,05,00,000 (previous year 1,05,00,000) preference shares of ₹ 200 each | 21,000.00 | 21,000.00 |
| 1,55,00,000 (previous year 1,55,00,000) preference shares of ₹ 10 each | 1,550.00 | 1,550.00 |
| Issued, subscribed and fully paid-up capital | | |
| 1,04,69,48,519 (previous year 1,04,68,48,519) equity shares of ₹ 5 each fully paid up | 52,347.43 | 52,342.43 |
| Total issued, subscribed and fully paid-up share capital | 52,347.43 | 52,342.43 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

a. Reconciliation of the equity shares outstanding at the beginning and end of the current year and previous year.

| Particulars | Year ended 31 March 2016 | | Year ended 31 March 2015 | |
|---|--------------------------|---------------------|--------------------------|---------------------|
| | Number of shares | Amount (₹ in lakhs) | Number of shares | Amount (₹ in lakhs) |
| Equity shares at the beginning of the year | 1,04,68,48,519 | 52,342.43 | 1,04,66,66,535 | 52,333.33 |
| Add: Share issued on exercise of employee stock options | 1,00,000 | 5.00 | 1,81,984 | 9.10 |
| Equity shares at the end of the year | 1,04,69,48,519 | 52,347.43 | 1,04,68,48,519 | 52,342.43 |

b. Description of the rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 5 per share. All the existing equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. 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.

c. Aggregate number of bonus shares issued/ share issued pursuant to a contract without payment being received in cash and shares bought back during the period of five years immediately preceding 31 March 2016

| Particulars | Financial year (aggregate no. of shares) | | | | |
|---|--|---------|---------|-----------|-------------|
| | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
| Equity shares : | | | | | |
| Allotted as fully paid up under scheme of arrangement | - | - | - | 36,79,356 | 2,36,95,044 |

There are no bonus shares issued and shares bought back during the period of five years immediately preceding 31 March 2016.

d. Details of shareholders holding more than 5% shares in the Company

| Name of shareholder | As at 31 March 2016 | | As at 31 March 2015 | |
|--|---------------------|--------------|---------------------|--------------|
| | No. of shares | % of holding | No. of shares | % of holding |
| Equity shares of ₹ 5 each fully paid up | | | | |
| RRB Mediasoft Private Limited | 10,85,15,123 | 10.36% | 10,85,15,123 | 10.37% |
| RB Mediasoft Private Limited | 12,75,60,417 | 12.18% | 12,75,60,417 | 12.19% |
| RB Media Holdings Private Limited | 12,75,28,586 | 12.18% | 12,75,28,586 | 12.18% |
| Watermark Infratech Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| Colorful Media Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| Adventure Marketing Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |

As per records of the Company including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of the shares.

e. Shares reserved for issue under options and other commitments

As on 31 March 2016, 650 (previous year 1,01,300) Employees Stock Options were outstanding under the Employee Stock Option Plans of the Company. Each option would entitle the holder thereof to subscribe to one equity share of ₹ 5 each in the Company.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 4 Reserves and surplus | | |
| a. Capital reserve | | |
| Balance at the beginning of the year | 1,951.45 | 1,881.41 |
| Addition during the period | - | 70.04 |
| Balance at the end of the year | 1,951.45 | 1,951.45 |
| b. Securities premium account | | |
| Balance at the beginning of the year | 3,10,351.48 | 3,10,246.01 |
| Add: Amount received pursuant to exercise of employee stock options | 85.78 | 105.47 |
| Balance at the end of the year | 3,10,437.26 | 3,10,351.48 |
| c. Employee stock options outstanding | | |
| Gross employee stock compensation for options granted | 1,817.65 | 2,022.69 |
| Less: Written back to the consolidated statement of profit and loss (net of share of minority Interest) | 53.46 | 172.79 |
| Less: Transferred to general reserve | 1,704.65 | - |
| Less: Deferred employee stock compensation | - | 7.49 |
| Less: Transferred to securities premium on exercise of stock options | 58.88 | 24.76 |
| Balance at the end of the year | 0.66 | 1,817.65 |
| d. General reserve | | |
| Balance at the beginning of the year | 1,057.36 | 1,044.38 |
| Add: Amount transferred from employee stock option reserve | 1,704.65 | 12.98 |
| Balance at the end of the year | 2,762.01 | 1,057.36 |
| e. Foreign currency translation reserve | | |
| Balance at the beginning of the year | 4,277.88 | 4,333.80 |
| Addition/ (reduction) during the year (net) | 1,042.14 | (55.92) |
| Balance at the end of the year | 5,320.02 | 4,277.88 |
| f. Capital reserve on consolidation of subsidiaries | 11,307.45 | 11,307.45 |
| g. Deficit in the consolidated statement of profit and loss | | |
| Deficit at the beginning of the year | (2,21,098.91) | (1,14,394.05) |
| Add: Loss for the year | (3,468.78) | (1,05,990.88) |
| Add: Proposed preference dividend | (0.01) | (0.01) |
| Add: Depreciation adjustment (refer note 12) | - | (713.97) |
| Add: Adjustment on disposal of subsidiary (refer note 49) | (258.41) | - |
| Net deficit in the consolidated statement of profit and loss | (2,24,826.11) | (2,21,098.91) |
| Total reserves and surplus | 1,06,952.74 | 1,09,664.36 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 5 Long-term borrowings | | |
| Secured | | |
| Term loans | | |
| - from banks | 9,000.00 | 14,383.03 |
| Vehicle loans | | |
| - from banks | 166.52 | 104.51 |
| - from others | 2.27 | 17.61 |
| | 9,168.79 | 14,505.15 |
| Unsecured | | |
| 10,00,000 (previous year 10,00,000) Zero Coupon Compulsorily Convertible Debentures (ZCCCD) | 1,000.00 | 1,000.00 |
| The term of debenture shall be a period of 3 years from 9 October 2014, which may be extended with the written approval of all the debenture holders along with the approvals of the Board of Directors and shareholders of IndiaCast Media Distribution Private Limited ("IC Media") (a jointly controlled entity). The debentures shall be converted into equity shares of IC Media in 1:1 ratio. | | |
| 1 (previous year 1) 0.01% Optionally Convertible Debentures (OCD) | 0.00 | 0.00 |
| The tenure of OCD shall be for a period of 7 years from the date of its allotment i.e. 29 April 2014. OCD may be converted into 1 equity share of IBN Lokmat News Private Limited (a jointly controlled entity). If OCD is not converted into equity shares at any time within 7 years from the date of issuance and allotment, then at the end of 7 years, OCD shall be redeemed at a price of ₹ 200 per OCD [₹ 50]. | | |
| | 1,000.00 | 1,000.00 |
| | 10,168.79 | 15,505.15 |
| Security details for borrowings covered under note no. 5 and note no. 10 is as follows: | | |
| I. Loans under 'Long-term borrowings' | 9,168.79 | 14,505.15 |
| II. Loans under 'Other current liabilities' | 3,186.50 | 3,917.73 |
| | 12,355.29 | 18,422.88 |
| i Term loan from a bank taken by a jointly controlled entity carries an interest rate of 9.70% p.a and is repayable in 14 quarterly stepped up installments from the date of first disbursement i.e. 30 March 2016. The term loan is secured by first pari passu charge over its fixed assets and current assets. | 5,607.95 | 7,284.00 |
| ii Term loan from a bank taken by a subsidiary company carries an interest rate of 1.25% above the bank base rate and is secured by hypothecation on its movable fixed assets and entire current assets (including loan and advances) and further by way of corporate guarantee by the Company and is repayable in 14 structured quarterly installments from 30 June 2014. | 522.91 | 1,213.03 |
| iii Term loan from others taken by a subsidiary company carries an interest rate of 13.50% p.a. and is repayable in 24 equal quarterly installments. This is secured by first pari passu charge on movable fixed assets of the existing CNBC news channels and was collaterally secured by pledge of shares upto 31 March 2014 by the promoters/ group entities, personal guarantee of the Director of the subsidiary and corporate guarantee of the Company. | - | 986.00 |
| iv Term loan from a bank taken by Stargaze Entertainment Private Limited was secured by pari passu charge on its entire fixed assets and current assets present and future repayable in financial year 2015-16 | - | 700.00 |
| v Term loan from bank taken by Prism TV Private Limited carries an interest rate of 11.25% p.a for term loan of ₹ 4,000 lakhs and interest @ 10.70% p.a. for term loan of ₹ 2,000 lakhs and is repayable after a moratorium of 24 months in 20 equal quarterly installments from 12 April 2017. This is secured by exclusive charge on its current assets and moveable fixed assets of Prism TV Private Limited for operating/ marketing expenses/ content development etc. | 6,000.00 | 8,000.00 |
| vi Vehicle loans are secured by the hypothecation of the vehicles financed therefrom and loans are payable in equal monthly installments as per the terms of underlying agreements. | 224.43 | 239.85 |
| | 12,355.29 | 18,422.88 |

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₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--------------------------------------|------------------------|------------------------|
| 6 Other long-term liabilities | | |
| Advance from customers | - | 29.32 |
| Other payables | 222.62 | 84.59 |
| | 222.62 | 113.91 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---------------------------------|------------------------|------------------------|
| 7 Long-term provisions | | |
| Provision for employee benefits | 4,276.02 | 3,513.02 |
| Provision for expenses | - | 103.78 |
| Proposed preference dividend | - | 0.12 |
| | 4,276.02 | 3,616.92 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 8 Short-term borrowings | | |
| Secured | | |
| Cash credit | 7,748.77 | 10,722.32 |
| Working capital demand loan/ overdraft facilities | 45,634.59 | 26,357.73 |
| Deferred buyers' credit | 710.73 | 670.28 |
| Term loans | | |
| - from banks | - | 206.24 |
| Commercial papers | - | 7,500.00 |
| | 54,094.09 | 45,456.57 |
| Unsecured | | |
| Commercial papers (repayable on maturity) | | |
| - from banks | 22,500.00 | 32,500.00 |
| - from others | 17,500.00 | 2,500.00 |
| Loan from banks (repayable on demand) | 2,634.69 | 228.02 |
| | 42,634.69 | 35,228.02 |
| Total | 96,728.78 | 80,684.59 |

Security details for borrowings covered under Note no. 8 is as follows:

| | | | |
|-----|--|-----------|----------|
| i | Cash credit including working capital demand loans availed by a subsidiary company are repayable on demand and are secured against first pari passu hypothecation charge on all existing and future current assets of the subsidiary company (previous year: charge on subsidiary's channels, namely, CNN IBN and IBN7). | 467.02 | 2,917.80 |
| ii | Cash credit including working capital demand loans availed by a subsidiary company are repayable on demand and are secured against first pari passu hypothecation charge on all existing and future current assets of subsidiary company (previous year: charge on subsidiary's channels, namely, CNBC TV18 and CNBC Awaaz). | 2,751.78 | 4,640.34 |
| iii | The overdraft is secured against second pari passu charge on all existing and future moveable assets and current assets of the subsidiary company. | 1,461.78 | 2,014.44 |
| iv | Cash credit including working capital demand loans availed by a jointly controlled entity are repayable on demand and are secured by first pari passu charge over fixed assets and current assets of the jointly controlled entity. | 16,496.04 | 1,900.00 |

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₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| v Cash credit facility including working capital demand loans availed by Prism TV Private Limited are repayable on demand and are secured by exclusive charge on its current assets and movable fixed assets, 25% margin on stocks and receivable upto 120 days of Prism TV Private Limited. | - | 1,000.00 |
| vi Working capital borrowings from bank (including deferred buyers credit) are secured by exclusive charge on the current and movable assets including loans and advances of respective subsidiary company and corporate guarantee of the Company. | 15,379.38 | 6,620.02 |
| vii The cash credit including working capital demand loan repayable on demand within 12 months and is secured by 25% margin on inventory and book debts of subsidiary company. | 795.02 | - |
| viii Bank overdraft is secured by first pari passu charge on all the current assets and movable fixed assets of the Company (both present & future). | 16,143.53 | 18,457.73 |
| ix Term loan from Bank taken by Stargaze Entertainment Private Limited was secured against lien of its fixed deposit. | - | 206.24 |
| x Cash credit facility availed by a subsidiary company are secured by first pari passu charge over fixed assets and current assets of the respective subsidiary company. | 599.54 | 200.00 |
| xi Commercial papers are secured by first pari passu charge over fixed assets and current assets of the jointly controlled entity. | - | 7,500.00 |
| | 54,094.09 | 45,456.57 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 9 Trade payables | | |
| Due to micro and small enterprises (refer note 48) | 168.18 | 23.06 |
| Due to others | 87,501.16 | 73,292.54 |
| | 87,669.34 | 73,315.60 |
| 10 Other current liabilities | | |
| Current maturities of long- term borrowings (refer note 5) | | |
| Term loans - secured | | |
| - from banks | 3,130.86 | 2,814.00 |
| - from others | - | 986.00 |
| Vehicles loans | 55.64 | 117.73 |
| Unearned revenue | 3,308.99 | 2,817.48 |
| Interest accrued but not due on borrowings | 766.85 | 158.17 |
| Advance from customers | 9,192.87 | 7,218.15 |
| Unpaid dividend | 6.85 | 13.01 |
| Amount collected on behalf of vendors | 4,852.95 | 3,094.40 |
| Unpaid /Unclaimed matured deposits and interest accrued thereon | 357.23 | 192.33 |
| Employee related payable | 750.62 | 365.64 |
| Statutory dues payable | 3,304.76 | 4,166.29 |
| Book overdraft | 855.85 | 3,199.30 |
| Payable for capital goods | 1,119.67 | 900.11 |
| Security deposits | 425.69 | 460.61 |
| Advance sales consideration | - | 2,913.30 |
| Share application money pending allotment | - | 3,918.00 |
| Other payables | 9,778.11 | 6,795.26 |
| | 37,906.94 | 40,129.79 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 11 Short-term provisions | | |
| Provision for employee benefits | 706.89 | 723.10 |
| Provision for sales returns (refer note a below) | 80.62 | 43.78 |
| Provision for indemnity (refer note b below) | 10,863.10 | 10,863.10 |
| Provision for tax (net of advance tax) | 2,493.58 | 2,395.82 |
| Proposed preference dividend | 0.15 | - |
| | 14,144.34 | 14,025.80 |
| Note a -Provision for sales returns | | |
| Opening balance | 43.78 | 43.68 |
| Addition during the year | 206.70 | 240.27 |
| Amount utilised during the year | (169.86) | (240.17) |
| Closing balance | 80.62 | 43.78 |
| A provision is recognised for expected returns on products sold during the year based on past experience of returns. It is expected that most of this provision will be utilised in the next financial year. | | |
| Note b-Provision for indemnity | | |
| Balance as at the beginning/end of the year | 10,863.10 | 10,863.10 |

During the year ended 31 March 2011, Roptonal Limited, Cyprus ("Roptonal") a subsidiary of the Company's jointly controlled entity, Viacom18 Media Private Limited made a public offer for purchase of entire issued capital of The Indian Film Company Limited, Guernsey ("TIFC"). The Company and its subsidiary, Network18 Holdings Limited, Mauritius ("Network18 Holdings"), in their capacity as shareholders in TIFC accepted the public offer. Further, pursuant to an agreement between Roptonal and Network18 Holdings, Network18 Holdings has agreed to indemnify Roptonal against the amount, if any, by which the net cash generated by TIFC from its existing film library in respect of the period from the date on which the aforementioned public offer becomes unconditional up to 21 July 2014 is less than the net asset value of the film library as per the TIFC's therein mentioned accounts for the year ended 31 March 2010.

Network18 Holdings has also agreed to indemnify Roptonal against certain Indian tax liabilities that may potentially arise in TIFC or Roptonal in respect of certain withholding tax recoveries stated in TIFC's financial statements and other taxes relating to the sale of Network18 Holdings shares in TIFC. The aforementioned agreement further provided that if Network18 Holdings does not undertake the indemnity obligations agreed in the agreement, the indemnity shall be provided by the Company.

During the previous years based on the assessment of estimated cash flow of the indemnified assets, the Company has estimated the liability as ₹ 10,863.10 lakhs.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particular | Gross block | | | Accumulated depreciation/amortisation | | | | Net block | | | | |
|---|----------------------------|------------------|--|---------------------------------------|-------------------------------------|----------------------------|--|--|--|-------------------------------------|-----------------------------|------------------|
| | Balance as at 1 April 2015 | Additions | Adjustment pursuant to conversion from subsidiary to jointly controlled entity and sale of subsidiary of subsidiary (Refer note 2) | Deletions / adjustment | Closing balance as at 31 March 2016 | Balance as at 1 April 2015 | Depreciation / Amortisation expense for the year | Adjustment pursuant to conversion from subsidiary to jointly controlled entity and sale of subsidiary of subsidiary (Refer note 2) | Reversal on disposal/ adjustments (Refer note 1 and 3) | Closing balance as at 31 March 2016 | Balance as at 31 March 2015 | |
| Tangible assets | | | | | | | | | | | | |
| Buildings | 426.55 | 175.58 | - | - | 602.13 | 327.76 | 12.48 | - | - | 340.24 | 261.89 | 98.79 |
| Freehold land | 37.41 | - | - | - | 37.41 | - | - | - | - | - | 37.41 | 37.41 |
| Leasehold land | 19.13 | - | - | - | 19.13 | 9.25 | 0.19 | - | - | 9.44 | 9.69 | 9.88 |
| Leasehold improvements | 11,684.40 | 2,156.88 | (2,689.47) | (92.24) | 11,059.57 | 8,190.26 | 1,051.32 | (1,059.28) | (82.74) | 8,099.56 | 2,960.01 | 3,494.14 |
| Plant and equipment | 50,122.51 | 6,097.93 | (5,091.44) | (374.16) | 50,754.84 | 38,755.21 | 2,528.87 | (4,177.83) | (380.12) | 36,726.13 | 14,028.71 | 11,367.30 |
| Information technology related equipments | 12,917.70 | 5,090.99 | (402.35) | (58.39) | 17,547.95 | 9,591.51 | 2,284.94 | (332.77) | (48.61) | 11,495.07 | 6,052.88 | 3,326.19 |
| Furniture and fixtures | 2,583.03 | 492.49 | (752.18) | (105.22) | 2,218.12 | 1,784.99 | 154.82 | (390.77) | (93.66) | 1,455.03 | 762.74 | 798.04 |
| Vehicles | 1,499.76 | 190.67 | (32.49) | (333.15) | 1,324.79 | 734.94 | 137.78 | (31.74) | (148.95) | 692.03 | 632.76 | 764.82 |
| Total | 79,290.49 | 14,204.54 | (8,967.93) | (963.16) | 83,563.94 | 59,393.92 | 6,170.40 | (5,992.39) | (754.08) | 58,817.85 | 24,746.09 | 19,896.57 |
| <i>Previous year</i> | <i>71,986.46</i> | <i>8,752.51</i> | <i>-</i> | <i>(1,428.48)</i> | <i>79,290.49</i> | <i>46,967.17</i> | <i>5,077.64</i> | <i>-</i> | <i>7,349.11</i> | <i>59,393.92</i> | <i>19,896.57</i> | <i>-</i> |
| Intangible assets | | | | | | | | | | | | |
| News archives | 204.99 | - | - | - | 204.99 | 204.99 | - | - | - | 204.99 | - | - |
| Computer software | 8,757.41 | 1,885.79 | (300.48) | (1.08) | 10,341.64 | 6,024.98 | 1,269.14 | (181.71) | (0.01) | 7,112.40 | 3,229.24 | 2,732.43 |
| Programming cost | 2,693.06 | 1,179.65 | (8.13) | (1,219.29) | 2,645.29 | 1,361.16 | 1,335.85 | (7.20) | (1,205.35) | 1,484.46 | 1,160.83 | 1,331.90 |
| Goodwill | 2,176.17 | - | - | - | 2,176.17 | 2,176.17 | - | - | - | 2,176.17 | - | - |
| Brands/ trademarks | 2,828.57 | 773.90 | - | 93.50 | 3,695.97 | 2,675.59 | 175.91 | - | 93.50 | 2,945.00 | 750.97 | 152.98 |
| Copyrights and operating rights | 1,203.37 | - | - | (1,203.37) | - | 1,203.37 | - | - | (1,203.37) | - | - | - |
| Licenses | 96.46 | - | - | - | 96.46 | 36.68 | 19.29 | - | - | 55.97 | 40.49 | 59.78 |
| Total | 17,960.03 | 3,839.34 | (308.61) | (2,330.24) | 19,160.52 | 13,682.94 | 2,800.19 | (188.91) | (2,315.23) | 13,978.99 | 5,181.53 | 4,277.09 |
| <i>Previous year</i> | <i>48,092.74</i> | <i>2,867.27</i> | <i>-</i> | <i>(32,999.98)</i> | <i>17,960.03</i> | <i>33,913.79</i> | <i>2,441.15</i> | <i>-</i> | <i>(22,672.00)</i> | <i>13,682.94</i> | <i>4,277.09</i> | <i>-</i> |

Note:

- Pursuant to the enactment of the Companies Act, 2013 (the 'Act'), the Group has, effective from 1 April 2014, reassessed the useful lives of its fixed assets and has computed depreciation and amortisation with reference to the useful lives of fixed assets as recommended in Schedule II to the Act. Consequently, depreciation and amortisation for the year ended 31 March 2015 is higher by ₹ 1,315.27 lakhs, fixed assets are lower and net loss is higher by the corresponding amount. Further, based on the transitional provision provided in Schedule II, an amount of ₹ 713.97 lakhs has been adjusted with the opening reserves during the year ended 31 March 2015.
- Prism TV Private Limited, a Subsidiary of Equator Trading Enterprises Private Limited by virtue of control of composition of Board of Directors ceased to be a Subsidiary with effect from 1 August 2015, and converted to a jointly controlled entity and a subsidiary Stargaze Entertainment Private Limited has been sold off during the year.
- During the year ended 31 March 2015, based on a review of the fixed assets, the Group has accounted for obsolescence/ impairment (accelerated depreciation) in the value of certain tangible and intangible assets to the extent of ₹ 8,254.88 lakhs.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 13 Non-current investments | | |
| (valued at cost unless stated otherwise) | | |
| Investment in equity shares : quoted | | |
| 4,74,308 (previous year 4,74,308) equity shares ₹ 4 each fully paid up in KSL & Industries Limited | 88.70 | 88.70 |
| 2,75,000 (previous year 2,75,000) equity shares of ₹ 10 each fully paid up in Refex Industries Limited (formerly known as Refex Refrigerants Limited) [Cost ₹ 1(previous year ₹ 1)]* | 0.00 | 0.00 |
| Beneficiary interest in Network18 Media Trust (1,15,86,762 (previous year 1,15,86,762) equity shares of the Company) | 18,157.46 | 18,157.46 |
| Less: Provision for diminution | (13,881.95) | (13,881.95) |
| Investment in equity shares : unquoted | | |
| (a) Investments in associates | | |
| 60,94,190 (previous year 60,94,190) equity shares of ₹ 10 each fully paid up in Eenadu Television Private Limited [Including Goodwill of ₹ 34,562.25 lakhs (previous year ₹ 34,562.25 lakhs)] | 44,963.36 | 44,963.36 |
| Add: Share in profit | 2,575.89 | 2,155.96 |
| 6,45,558 (previous year 6,45,558) equity shares of ₹ 10 each fully paid up in 24x7 Learning Private Limited [Cost Re1 (previous year Re1)]* | 0.00 | 0.00 |
| Nil (previous year 8,014) equity shares of ₹ 10 each fully paid up in Wespro Digital Private Limited | - | 400.70 |
| Add: Share in profit | - | 2.66 |
| Less: Provision for diminution | - | (400.70) |
| 1,00,000 (previous year 1,00,000) equity shares of ₹ 1 each fully paid up in Aeon Learnings Private Limited | 1.00 | 1.00 |
| Add: Share in loss of associate | (1.00) | (1.00) |
| 2600 (previous year 2600) equity shares of Book My Show Limited, New Zealand | 9.15 | 9.15 |
| Add: Share in profit | 24.61 | 12.30 |
| (b) Investments in others | | |
| 8,98,500 (previous year 8,98,500) equity shares of ₹ 10 each fully paid up in Delhi Stock Exchange Association Limited [Cost ₹ 1(previous year ₹ 1)]* | 0.00 | 0.00 |
| Nil (previous year 3,192) equity shares of ₹ 10 each fully paid up in Skorydove Systems Private Limited [Cost previous year ₹ 1]* | - | 0.00 |
| 83,763 (previous year 83,763) equity shares of ₹ 10 each fully paid up in Ensemble Infrastructure India Limited [Cost ₹ 1(previous year ₹ 1)]* | 0.00 | 0.00 |
| 27,00,000 (previous year 27,00,000) ordinary shares of USD 0.0001 each in Yatra Online Inc. | 1,477.17 | 1,393.88 |
| 109,348 (previous year 50,614) equity shares of ₹ 10 each of Yatra Online Private Limited | 2,013.19 | 901.94 |
| 3,01,876 (previous year 3,01,876) equity shares of ₹ 10 each fully paid up in MobileNXT Teleservices Private Limited [Cost ₹ 1(previous year ₹ 1)]* | 0.00 | 0.00 |
| 27,500 (previous year 27,500) equity shares of ₹ 100 each fully paid up in Ushodaya Enterprises Private Limited | 3,738.03 | 3,738.03 |
| Investments in preference shares : unquoted | | |
| (a) Investment in Jointly controlled entities | | |
| 1,25,000 (previous year 1,25,000) 0.10% Non Cumulative Redeemable Preference Shares of Series "II" of ₹ 100 each fully paid up in IBN Lokmat News Private Limited | 250.00 | 250.00 |
| 1,000 (previous year nil) 0.001% Optionally Convertible Non-Cumulative Redeemable Preference shares of ₹ 10 each fully paid-up in Prism TV Private Limited | 6.18 | - |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| (b) Investment in associates | | |
| 2 (previous year nil) Preference Shares of ₹ 1 each fully paid-up in Aeon Learning Private Limited | 0.01 | - |
| (c) Investment in others | | |
| 25,00,000 (previous year 25,00,000) Preference shares of ₹ 10 each fully paid up in DEN Entertainment Network Private Limited | 250.00 | 250.00 |
| 15,00,015 (previous year 15,00,015) Series A Preference Shares of USD 0.0001 each fully paid up in Yatra Online Inc. | 435.38 | 410.83 |
| 9,75,700 (previous year 9,75,700) Series B Preference shares of USD 0.0001 each fully paid up in Yatra Online Inc. | 829.13 | 782.38 |
| 4,37,459 (previous year 4,37,459) Series C Preference Shares of USD 0.0001 each fully paid up in Yatra Online Inc. | 934.34 | 881.65 |
| Government securities - unquoted | | |
| National Saving Certificates | - | 18.00 |
| In debentures and bonds - unquoted | | |
| 30 (previous year 30) Unsecured Redeemable Non Convertible, Upper Tier II Bonds of Yes Bank Limited of ₹ 10,00,000 each | 300.00 | 300.00 |
| 25,00,000 (previous year 25,00,000) Zero Coupon Compulsorily Convertible Debentures (ZCCCD) of ₹ 10 each fully paid up in IndiaCast Media Distribution Private Limited | 250.00 | 250.00 |
| 2,50,000 (previous year 2,50,000) unsecured Zero Coupon Optionally Redeemable/Convertible Debentures of VT Media Private Limited of ₹ 1,000 each | 2,500.00 | 2,500.00 |
| | 64,920.65 | 63,184.35 |
| Aggregate amount of quoted investments | 18,246.16 | 18,246.16 |
| Aggregate market value of quoted investments | 5,193.30 | 5,901.30 |
| Aggregate amount of unquoted investments | 60,556.44 | 59,220.84 |
| Aggregate provision for the diminution in value of investments | 13,881.95 | 14,282.65 |

* Rounded off to nil.

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 14 Deferred tax assets (net) | | |
| Deferred tax liability arising on account of | | |
| Depreciation, amortisation and impairment | (125.52) | (53.56) |
| Inventory amortisation | (3,410.20) | (2,691.29) |
| Gross deferred tax liability | (3,535.72) | (2,744.85) |
| Deferred tax assets arising on account of | | |
| Expenditure charged to the consolidated statement of profit and loss but allowable for tax purpose in subsequent years | 2,267.00 | 1,686.37 |
| Provision for diminution in the value of investments | - | 8.69 |
| Provision for doubtful debts and advances | 1,075.81 | 1,012.30 |
| Depreciation, amortisation, impairment and unabsorbed depreciation and carry forward losses | 461.99 | 620.10 |
| Provision for employee benefits | 556.74 | 392.09 |
| Gross deferred tax assets | 4,361.54 | 3,719.55 |
| Net deferred tax assets | 825.82 | 974.70 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 15 Long-term loans and advances | | |
| (unsecured, considered good, unless otherwise stated) | | |
| Capital advances | 858.45 | 2,335.21 |
| Security deposits | | |
| Considered good | 7,645.49 | 4,956.27 |
| Considered doubtful | 19.17 | 19.17 |
| Less: Provision for doubtful deposits | (19.17) | (19.17) |
| | 7,645.49 | 4,956.27 |
| Loans and advances to others | | |
| Considered good | 12,340.30 | 12,340.30 |
| Considered doubtful | 37,953.94 | 37,953.94 |
| Less: Provision for doubtful loans and advances | (37,953.94) | (37,953.94) |
| | 12,340.30 | 12,340.30 |
| Advances recoverable in cash or in kind or for value to be received | | |
| Considered good | 4,257.32 | 5,749.93 |
| Considered doubtful | 993.01 | 997.74 |
| Less: Provision for doubtful advances | (993.01) | (997.74) |
| | 4,257.32 | 5,749.93 |
| Income tax paid (net of provisions) | 40,920.52 | 30,511.57 |
| Minimum alternate tax credit entitlement | 4,407.98 | 1,951.02 |
| Prepaid expenses | 253.35 | 154.54 |
| Loans and advances to employees | | |
| Considered good | 19.43 | 30.43 |
| Considered doubtful | 105.20 | 270.59 |
| Less: Provision for doubtful advances to employees | (105.20) | (270.59) |
| | 19.43 | 30.43 |
| | 70,702.84 | 58,029.27 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|------------------------------------|------------------------|------------------------|
| 16 Other non-current assets | | |
| Interest accrued but not due | 8.91 | - |
| Restricted fixed deposits* | 2.42 | 2.31 |
| Others | 2.11 | 2.11 |
| | 13.44 | 4.42 |

*Fixed deposits of ₹ 2.42 lakhs (previous year ₹ 2.31 lakhs) are under lien with banks against sales tax commitments and are restricted from being exchanged or used to settle a liability for more than 12 months from the respective balance sheet dates.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 17 Current investments - quoted | | |
| (Valued at lower of cost or fair value) | | |
| Investment in equity shares | | |
| Investments in others | | |
| 6,98,288 (previous year 6,98,288) equity shares of ₹ 10 each fully paid up in DEN Network Limited | 70.73 | 70.73 |
| | 70.73 | 70.73 |
| Mutual Fund | | |
| 85,54,686 (previous year 85,54,686) units of DWS Short maturity Fund -Growth | 2,000.00 | 2,000.00 |
| 98,16,036 (previous year 140,11,489) units of Kotak Equity Arbitrage Fund - Dividend | 1,050.86 | 1,500.00 |
| 13,45,119 (previous year 19,22,375) units of Birla Sun Life Short Term Fund - Growth - Regular Plan | 559.77 | 800.00 |
| 16,32,512 (previous year 16,32,512) units of SBI Dynamic Bond Fund-Growth | 250.00 | 250.00 |
| 342 (previous year 342) units of Tata Liquid Fund | 8.83 | 8.83 |
| 1,03,52,836 (previous year 1,19,50,858) units of IDFC Arbitrage Fund - Dividend -(Regular Plan) | 1,299.43 | 1,500.00 |
| 5,196 (previous year nil) units of UTI-Floating Rate Fund-STP- Regular Plan - Growth | 125.00 | - |
| 296 (previous year nil) units of Birla Sun Life Savings Fund-Growth- Regular Plan | 0.86 | - |
| 4,40,372 (previous year nil) units of SBI Short Term Debt Fund - Regular Plan - Growth | 75.00 | - |
| 86,595 (previous year nil) units of HDFC High Interest Fund - Short Term Plan - Growth | 25.00 | - |
| 2,80,312 (previous year nil) units of UTI-Short Term Income Fund- Institutional Option - Growth | 50.00 | - |
| Nil (previous year 57,16,712) units of Axis Short Term Fund- Growth | - | 700.00 |
| Nil (previous year 6,58,460) units of DWS Ultra Short Term Fund-Institutional-Growth Plan | - | 91.31 |
| Nil (previous year 4,74,138) units of HDFC Liquid Fund-Dividend Re-investment Plan | - | 48.35 |
| Nil (previous year 20,52,369) units of IDFC Super Saver Income Fund - Medium Term - Plan B- Institutional Plan- Growth | - | 252.55 |
| Nil (previous year 59,98,608) units of HDFC Short Term Plan Growth | - | 1,500.00 |
| Nil (previous year 75,623) units of Franklin Templeton India- Short Term Income Plan - Growth | - | 2,000.00 |
| | 5,444.75 | 10,651.04 |
| | 5,515.48 | 10,721.77 |
| Aggregate amount of quoted investments | 5,515.48 | 10,721.77 |
| Aggregate amount of unquoted investments | - | - |
| Aggregate market value of quoted investments | 6,643.80 | 12,421.59 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| 18 Inventories (valued at lower of cost and net realisable value) | | |
| Raw materials and components | 134.77 | 96.34 |
| Projects-in-progress | 15,789.11 | 9,363.43 |
| Work-in-progress | - | 4.77 |
| Stock-in-trade | - | 35.58 |
| Stores and spares | 199.90 | 36.93 |
| Tapes and compact discs | - | 40.44 |
| Programming and film rights | 35,437.64 | 31,338.77 |
| Less: Provision for obsolete inventory | - | (27.50) |
| | 51,561.42 | 40,888.76 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 19 Trade receivables | | |
| Trade receivables outstanding for a period exceeding six months from the date they were due for payment | | |
| Secured, considered good | 46.92 | 20.68 |
| Unsecured, considered good | 9,794.69 | 6,977.93 |
| Unsecured, considered doubtful | 8,767.53 | 12,029.76 |
| Less: Provision for doubtful receivables | (8,767.53) | (12,029.76) |
| | 9,841.61 | 6,998.61 |
| Other receivables | | |
| Secured, considered good | 5.51 | 49.73 |
| Unsecured, considered good | 60,904.82 | 54,642.24 |
| Unsecured, considered doubtful | 795.79 | 301.95 |
| Less: Provision for doubtful receivables | (795.79) | (301.95) |
| | 60,910.33 | 54,691.97 |
| | 70,751.94 | 61,690.58 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 20 Cash and bank balances | | |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| In current accounts | 8,105.50 | 9,901.38 |
| In deposit accounts (refer note no a) | 9,140.06 | 11,792.10 |
| Cheques/drafts on hand | 1,211.48 | 3,364.56 |
| Cash on hand | 59.90 | 40.56 |
| | 18,516.94 | 25,098.60 |
| Other bank balances | | |
| Deposits with original maturity of more than 3 months but less than 12 months | 708.36 | 1,859.73 |
| In current account - earmarked balances | 57.11 | 63.99 |
| In deposit account - held as security | 6.50 | 2,674.42 |
| In other deposit account (refer note no b and c) | 845.99 | 1,294.91 |
| Balance with banks towards deposits which remain unclaimed | 353.02 | - |
| Unpaid non-cumulative convertible redeemable preference share account | 6.79 | - |
| | 1,977.77 | 5,893.05 |
| | 20,494.71 | 30,991.65 |

Notes:

- Includes deposits of ₹ nil (previous year ₹ 68.94 lakhs) with maturity of more than 12 months.
- Deposits of ₹ 746.74 lakhs (previous year ₹ 1,238.99 lakhs) are given as lien to sales tax authorities, against bank guarantees to custom authorities to meet export obligations and margin money against letter of credit to vendors and are expected to be realised within 12 months.
- Deposits of ₹ 99.25 lakhs (previous year ₹ 55.92 lakhs) are provided as security against non-fund based and fund based credit facilities.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| 21 Short-term loans and advances | | |
| (unsecured, considered good, unless otherwise stated) | | |
| Security deposits | 700.66 | 614.54 |
| Loans and advances to related party | 1.48 | 89.30 |
| Loans and advances to others | | |
| Considered good | 3,899.98 | 7,161.84 |
| Considered doubtful | 4,004.35 | 4,024.26 |
| Less: Provision for doubtful loans and advances | (4,004.35) | (4,024.26) |
| | 3,899.98 | 7,161.84 |
| Advances recoverable in cash or in kind or for value to be received | | |
| Considered good | 15,802.61 | 9,999.29 |
| Considered doubtful | 4,088.99 | 5,494.67 |
| Less: Provision for doubtful loans and advances | (4,088.99) | (5,494.67) |
| | 15,802.61 | 9,999.29 |
| Income tax paid (net of provisions) | 2,682.89 | 5,813.43 |
| Service tax input credit | 8,777.47 | 8,449.60 |
| Loans and advances to employees | 181.67 | 266.01 |
| Prepaid expenses | 5,098.26 | 2,492.44 |
| | 16,740.29 | 17,021.48 |
| | 37,145.02 | 34,886.45 |

₹ in lakhs

| | As at 31 March 2016 | As at 31 March 2015 |
|--------------------------------|------------------------|------------------------|
| 22 Other current assets | | |
| Unbilled revenue | 3,993.76 | 3,672.39 |
| Interest receivable | 109.71 | 335.83 |
| Others | 127.75 | 139.60 |
| | 4,231.22 | 4,147.82 |

₹ in lakhs

| | 2015-16 | 2014-15 |
|---|--------------------|--------------------|
| 23 Revenue from operations | | |
| Income from media operations | 2,69,433.22 | 2,44,808.36 |
| Commission income | 54,620.98 | 54,336.83 |
| Income from sale of products and services | 13,660.72 | 11,736.62 |
| Other operating revenue | 2,616.09 | 1,774.91 |
| | 3,40,331.01 | 3,12,656.72 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | 2015-16 | 2014-15 |
|---|-----------------|-----------------|
| 24 Other income | | |
| Interest income on | | |
| - Long-term investments | - | 28.66 |
| - Others | 845.20 | 2,270.56 |
| Dividend income on | | |
| - Current investments | 156.97 | 310.29 |
| - Long-term investments | - | 0.83 |
| Profit on sale of current investments (net) | 950.51 | 234.10 |
| Profit on sale of long-term investments | 4,379.27 | - |
| Excess provision written back | 1,988.29 | 2,962.80 |
| Profit on exchange rate fluctuation | - | 20.19 |
| Profit on disposal of fixed assets | 4.16 | 2.71 |
| Miscellaneous income | 843.45 | 651.29 |
| | 9,167.85 | 6,481.43 |

₹ in lakhs

| | 2015-16 | 2014-15 |
|---|---------------|---------------|
| 25 Cost of materials consumed and traded goods sold | | |
| a. Cost of materials consumed | | |
| Opening balance | | |
| - Raw material and components | 96.34 | 98.03 |
| - Add : Purchases during the year | 331.07 | 317.28 |
| | 427.41 | 415.31 |
| Less: Closing balance | | |
| - Raw material and components | 134.77 | 96.34 |
| | 134.77 | 96.34 |
| | 292.64 | 318.97 |
| b. Cost of traded products | | |
| Opening balance | 35.58 | 47.78 |
| Add : Purchases during the year | 0.48 | 258.88 |
| Less: Inventory written off/ adjustment on sale of subsidiary | 35.58 | 20.20 |
| Less: Closing balance | - | 35.58 |
| | 0.48 | 250.88 |
| c. Change in inventory of work-in-progress | | |
| Work-in-progress at the beginning of the year | 4.77 | 3.63 |
| Less: Work-in-progress at the end of the year | - | 4.77 |
| | 4.77 | (1.14) |
| | 297.89 | 568.71 |

₹ in lakhs

| | 2015-16 | 2014-15 |
|--|------------------|------------------|
| 26 Employee benefits expense | | |
| Salaries, wages and bonus | 59,547.34 | 50,383.51 |
| Contribution to provident fund and other funds | 2,636.47 | 2,537.36 |
| Employee stock compensation expenses | (53.65) | (242.34) |
| Staff welfare expenses | 3,590.30 | 3,200.50 |
| Employee benefits | 1,187.58 | 1,053.17 |
| | 66,908.04 | 56,932.20 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| | 2015-16 | 2014-15 |
|-------------------------|-----------------|------------------|
| 27 Finance costs | | |
| Interest expense | 9,027.92 | 10,561.01 |
| Other financial charges | 477.78 | 756.59 |
| | 9,505.70 | 11,317.60 |

₹ in lakhs

| | 2015-16 | 2014-15 |
|---|------------------|------------------|
| 28 Other expenses | | |
| Studio and equipment hire charges | 2,444.64 | 2,121.25 |
| Telecast and uplinking fee | 10,479.10 | 7,079.76 |
| Content and franchise expenses | 7,790.07 | 6,343.18 |
| Media professional fees | 5,117.98 | 4,042.95 |
| Other production expenses | 16,771.71 | 11,340.99 |
| Event expenses | 2,083.00 | 1,833.14 |
| Site support cost | 728.87 | 772.15 |
| Consumption of stores and spares | 322.93 | 381.49 |
| Electricity, power and fuel expenses | 2,729.89 | 2,765.84 |
| Rent | 8,071.03 | 8,195.20 |
| Repairs and maintenance - Plant and equipment | 1,817.04 | 1,858.51 |
| Repairs and maintenance - Others | 1,813.12 | 1,230.26 |
| Insurance | 581.04 | 635.83 |
| Rates and taxes | 1,145.33 | 898.82 |
| Legal and professional expenses (refer note 28.1 below) | 7,253.93 | 7,627.17 |
| Directors sitting fee | 133.02 | 63.30 |
| Loss on disposal of fixed assets | 62.83 | 93.82 |
| Bad debts and advances written off/ provided for | 3,037.74 | 2,265.18 |
| Office upkeep and maintenance expenses | 1,268.71 | 1,161.24 |
| Travelling and conveyance | 9,645.01 | 7,872.13 |
| Postage and communication costs | 4,086.94 | 3,578.09 |
| Printing and stationery | 143.57 | 66.22 |
| Outwork and ancillary printing | 126.15 | 196.85 |
| Loss on exchange rate fluctuation | 20.28 | 281.20 |
| Vehicle running and maintenance | 1,554.86 | 1,453.13 |
| Charity and donations (refer note 28.2 below) | 246.35 | - |
| Miscellaneous expenses | 4,173.14 | 6,318.49 |
| | 93,666.08 | 80,476.19 |
| Note: | | |
| 28.1 Payments to auditor* | | |
| as auditor | 84.45 | 87.24 |
| other services | 35.81 | 38.06 |
| for reimbursement of expenses | 22.46 | 15.96 |
| | 142.72 | 141.26 |

*excluding service tax.

28.2 Expenditure related to Corporate Social responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 237.50 lakhs (previous year ₹ nil).

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| | ₹ in lakhs | |
|--|------------|--------------------|
| | 2015-16 | 2014-15 |
| 29 Exceptional items | | |
| Impairment of goodwill | - | 23,834.98 |
| Termination benefits and related consultancy charges | - | 1,293.57 |
| Diminution in the value of investments | - | 14,282.65 |
| Provision of non-recoverable and doubtful loans/advances/receivables and inventory | - | 57,159.06 |
| Obsolescence/impairment (accelerated depreciation) of tangible and intangible assets | - | 8,254.88 |
| Consultancy charges | - | 712.00 |
| | - | 1,05,537.14 |

| | ₹ in lakhs | |
|--|------------|-----------------|
| | 2015-16 | 2014-15 |
| 30 Prior period expense | | |
| Bad debts and advances written off/ provided for | - | 6,354.22 |
| Other production expenses | - | 54.70 |
| | - | 6,408.92 |

| | ₹ in lakhs | |
|-----------------------|-----------------|-----------------|
| | 2015-16 | 2014-15 |
| 31 Tax expense | | |
| Current tax | 4,626.08 | 4,256.66 |
| Deferred tax | 154.70 | (358.86) |
| | 4,780.78 | 3,897.80 |

| | 2015-16 | 2014-15 |
|---|----------------|----------------|
| 32 Earnings per share (basic and diluted) | | |
| Basic and diluted earnings per equity share have been computed by dividing the net loss after tax by the number of equity shares outstanding for the year, as below | | |
| Loss after tax attributable to equity shareholders (₹ in lakhs) | (3,468.78) | (1,05,990.88) |
| Weighted average number of equity shares for calculating basic /diluted earnings per share | 1,04,69,42,766 | 1,04,67,83,633 |
| Nominal value of equity share | 5.00 | 5.00 |
| Earnings per share (basic and diluted)* | (0.33) | (10.13) |

*since the potential equity shares are anti-dilutive, diluted earnings per share is same as basic earnings per share.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

33. Schemes of arrangement

With effect from 3 June 2014, Capital 18 Limited and BK Holdings Limited were amalgamated with Network18 Holdings Limited on obtaining the certificate of amalgamation from the Registrar of Companies, Mauritius.

A Scheme of Amalgamation & Arrangement (“the Scheme”) for merger of Prism TV Private Limited with Viacom18 Media Private Limited with effect from the “Appointed Date” of 1 April 2015 has been filed with the Honourable High Court of Judicature at Mumbai. Upon receipt of the necessary statutory approvals, the Scheme will be given effect to in these consolidated financial statements.

The Boards of Directors of Capital18 Fincap Private Limited in its meeting held on 7 January 2014 considered and approved a scheme of Arrangement (“the Scheme”) which inter alia envisaged merger of RRB Investment Private Limited, RVT Finhold Private Limited, RRB Finhold Private Limited, Setpro 18 Distribution and Reed Infomedia Private Limited with company. The Scheme was approved by Hon’able high Court of Delhi and Hon’able Court of Bombay on 23 May 2014 and 30 January 2015 respectively. The Scheme was to become effective on filing of certified copies of the Hon’able High Court’s orders with the respective jurisdictional Registrar of Companies. During the year, the plan for the proposed merger was shelved by complying with required legal process.

34. Contingent liabilities and commitments not provided for

i) Contingent liabilities:

A In the case of the Company

| Particulars | ₹ in lakhs | |
|---|------------------------|------------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| Corporate guarantees given in connection with borrowings of subsidiaries: | | |
| TV18 Broadcast Limited (Formerly ibn18 Broadcast Limited) | - | 986.00 |
| TV18 Home Shopping Network Limited | 15,902.28 | 7,833.06 |
| Total | 15,902.28 | 8,819.06 |

The Company has issued letters of financial support to certain subsidiary companies – TV18 Home Shopping Network Limited, Web18 Software Services Limited and Infomedia Press Limited.

Claims against the company not acknowledged as debts

Demand for stamp duty on transfer of property ₹ 3,463.96 lakhs (previous year ₹ 86.77 lakhs).

Contingent payments under agreements for sale of subsidiaries- ₹ 169.93 lakhs (previous year ₹ 169.93 lakhs).

B In the case of TV18 Broadcast Limited (TV18)

- i. TV18 had purchased capital equipment under the ‘Export Promotion Capital Goods Scheme’ with an export commitment of ₹ 8,740.14 lakhs over a period of 8 years commencing from 10 August 2005. TV18 had made applications of ₹ 8,740.14 lakhs to the Director General of Foreign Trade for issuance of the export obligation discharge certificate (EODC) towards fulfillment of its export obligation in the earlier years. Against such application, TV18 is yet to receive EODC for ₹ 5,417.51 lakhs as at the current year end. TV18 would be liable to resultant customs duty liability of ₹ 677.19 lakhs for such pending EODCs. Further, banks have given a guarantee amounting to ₹ 839.72 lakhs (previous year ₹ 1,049.47 lakhs) on behalf of TV18 to the customs authorities for the same.
- ii. Claims against TV18 not acknowledged as debts include demands raised by Income Tax authorities aggregating to ₹ 2,726.30 lakhs (previous year ₹ 2,726.30 lakhs). Amount deposited by TV18 against these claims is ₹ 824.06 lakhs (previous year ₹ 824.06 lakhs) is included in Advance Income Tax. No provision has been made in these consolidated financial statements for these demands as TV18 expects a favorable decision in appeal.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

- iii. TV18 has extended corporate guarantee in favour of ICICI Home Finance Company Limited in consideration of loan facility extended by ICICI Home Finance Company Limited to:
 - a) The employees of TV18 ₹ 100.00 lakhs (previous year ₹ 357.00 lakhs); as at the year end, ₹ 1.28 lakhs (previous year ₹ 135.26 lakhs) was outstanding in respect of such loan.
 - b) Former employees of TV18 ₹ 257.00 lakhs (previous year Nil)
- iv. TV18 has received legal notices of claims/ lawsuits filed against it relating to infringement of copyrights, objectionable contents and defamation suits in relation to the programmes produced by it, the aggregate claim being ₹ 20,528.04 lakhs (previous year ₹ 40,528.04 lakhs). In the opinion of the management, no material liability is likely to arise on account of such claims/ law suits and thus no provision has been made against these in these consolidated financial statements.
- v. TV18 has received demand orders from the Collector of Stamps, Delhi aggregating to ₹ 3,914.80 lakhs relating to scheme of amalgamation of TV18 and the Company and on issuance of shares by TV18. TV18 has filed writ petition against search orders and the Delhi High Court has granted stay on such demand orders. No provision in these consolidated financial statements has been made as TV18 is expecting a favourable decision based on merits of the case, as advised by its lawyers.

C. In the case of Viacom18 Media Private Limited (Viacom18):

| Particulars | % of interest | ₹ in lakhs | | | |
|--|---------------|---------------------|-----------------|---------------------|-----------------|
| | | As at 31 March 2016 | | As at 31 March 2015 | |
| | | Total | Group's share | Total | Group's share |
| Claims against Viacom18 not acknowledged as debts | 50 | 349.59 | 174.80 | 348.50 | 174.25 |
| Taxation matters in respect of which appeals are pending | 50 | 15,086.70 | 7,543.35 | 12,773.08 | 6,386.54 |
| Guarantee given by Viacom18 | 50 | 1,944.00 | 972.00 | 1,500.00 | 750.00 |
| Bank Guarantee given by Viacom18 | 50 | 1,902.02 | 951.01 | 946.23 | 473.11 |
| Total | | 19,282.31 | 9,641.16 | 15,567.81 | 7,783.90 |

D. In the case of Equator Trading Enterprise Private Ltd (Equator), Prism TV Private Limited, Panorama Television Private Limited :

| Particulars | ₹ in lakhs | |
|--|---------------------|---------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| Claims against Equator not acknowledged as debts | 5,076.34 | 10,076.77 |
| Taxation matters in respect of which appeals are pending | 6,988.39 | 11,276.59 |
| Total | 12,064.73 | 21,353.36 |

E. In the case of Big Tree Entertainment Private Limited ('Big Tree')

Claims against Big Tree not acknowledged as debts include demands raised by Income-tax authorities, Service tax and other legal claims aggregating to ₹ 2,815.91 lakhs (previous year ₹ 141.46 lakhs).

F. In the case of Infomedia Press Limited ('Infomedia')

Claims against Infomedia not acknowledged as debts:

- (i) Infomedia has received demands ascertaining to ₹ 3,087.70 lakhs (previous year - ₹ 974.17 lakhs) towards income-tax for the assessment years 2005-06, 2006-07, 2008-09, 2009-10 and 2010-11. Infomedia has disputed the demands and has preferred appeals before appellate authorities and also deposited ₹ 671.25 lakhs upto 31 March 2016

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

- (ii) Sales tax/ works contract tax matters disputed by Infomedia relating to issue of applicability, allowability, etc. aggregating to ₹ 4,585.00 lakhs (previous year ₹ 3,196.92 lakhs) for the financial years 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11.

In respect of the demands/ claims described in paragraphs (i) and (ii) above, Infomedia has also assessed that the possibility of these cases being decided against Infomedia and the demand crystallising on Infomedia is not likely and hence no provision is required.

G. In the case of other entities

Claim against Setpro18 Distribution Media Limited not acknowledged as debts is the demand raised by the income-tax authorities relating to the assessment year 2010-11 amounts to ₹ 638.97 lakhs (previous year ₹ 638.97 lakhs). It has deposited ₹ 61.25 lakhs challan against the claim on different dates and ₹ 478.75 lakhs (previous year ₹ 478.75 lakhs) has been adjusted against the refund for the assessment year 2012-13 of Setpro18 Distribution Media Limited.

Claim against the SGA News Limited now merged with RRB Investment Private Limited not acknowledged as debts is the demand raised by the Income Tax Authorities relating to the assessment year 2009-10 amounts to ₹ 1,535.98 lakhs (previous year ₹ 1,535.98 lakhs). It hasn't deposited the demand raised by the Income Tax Authorities. Application u/s 154 filed on 28 July 2015 for claiming carry forward losses.

Claim against the Reed Infomedia India Private Limited not acknowledged as debt is the demand raised by the income-tax authorities relating to the assessment year 2010-11 amounts to ₹ 297.32 lakhs, which has been disputed by Reed Infomedia India Private Limited. The CIT - Appeal allowed part in company favour. It has further filed an appeal before ITAT against CIT – Appeal Order. Accordingly, no provision has been made in books of accounts.

Preference dividend of ₹ 7.40 lakhs (previous year ₹ 6.61 lakhs) on 1.4% cumulative, redeemable, convertible preference shares not provided for in Web18 Software Service Limited.

H. Other litigations

Mr. Victor Fernandes and others ("plaintiffs") had filed a derivative action suit before the Bombay High Court against Mr. Raghav Bahl, TV18 and other TV18 group entities alleging that all business opportunities undertaken by the Network18 Group should be routed through e-Eighteen.com Limited. The plaintiffs have valued their claim in the suit at ₹ 3,11,406.00 lakhs (previous year ₹ 3,11,406.00 lakhs). The suit is currently pending.

Further, Mr. Victor Fernandes ("plaintiff") has preferred an Appeal before the Hon'ble Supreme Court of India against the order of the Hon'ble Securities Appellate Tribunal (SAT) dated 8 February, 2013 which dismissed the appeal relating to grant of listing approval by the National Stock Exchange (NSE) for the rights issue of the Company.

Based on the legal advice by the legal counsel, management is of the view that the above claims made by the plaintiffs are unlikely to succeed and has accordingly made no provisions in the financial statements.

(ii) Capital commitments

| Particulars | ₹ in lakhs | |
|--|------------------------|------------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| Capital expenditure commitments | 5,641.10 | 4,353.61 |
| Other commitments for non-cancellable agreement with the vendors | 3,242.15 | 657.29 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

35. Disclosures as required by Accounting Standard 15

(i) Defined benefit plans and other long term employee benefits

The following table sets out the funded / unfunded status of the defined benefits plans and other long term employee benefits and the amount recognised in the consolidated financial statements:

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

₹ in lakhs

| | Gratuity | | Gratuity | | Compensated Absences | |
|---|-----------------|-----------------|-----------------|---------------|----------------------|-----------------|
| | (Funded) | | (Unfunded) | | (Unfunded) | |
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Defined benefit obligation at beginning of the year | 2,535.58 | 2,296.98 | 899.92 | 732.83 | 1,667.08 | 1,465.54 |
| Addition due to new acquisition of subsidiary | - | - | 2.46 | - | - | - |
| Current service cost | 347.98 | 343.42 | 222.44 | 187.00 | 661.37 | 483.28 |
| Interest cost | 194.77 | 193.29 | 69.89 | 62.29 | 117.18 | 117.87 |
| Actuarial loss | 147.93 | 260.70 | 113.22 | 194.76 | 211.81 | 249.23 |
| Adjustment of change/ sale of subsidiaries | (107.92) | - | (24.89) | - | (127.46) | - |
| Benefits paid | (340.11) | (558.81) | (211.05) | (276.96) | (465.82) | (648.84) |
| Defined benefit obligation at year end | 2,778.23 | 2,535.58 | 1,071.99 | 899.92 | 2,064.16 | 1,667.08 |

II) Reconciliation of opening and closing balances of fair value of plan assets:

₹ in lakhs

| | Gratuity | |
|---|---------------|---------------|
| | 2015-16 | 2014-15 |
| Fair value of plan assets at beginning of the year | 883.36 | 811.65 |
| Fair value of plan assets pertaining to liability due to change of Prism from subsidiary to jointly controlled entity | (19.91) | - |
| Expected return on plan assets | 70.48 | 66.98 |
| Actuarial gain / (loss) | 65.02 | (18.42) |
| Employer contribution | 51.71 | 128.28 |
| Benefits paid | (119.19) | (105.13) |
| Fair value of plan assets at year end | 931.47 | 883.36 |

III) Reconciliation of fair value of assets and obligations:

₹ in lakhs

| | Gratuity (Funded) | | Gratuity (Unfunded) | | Compensated Absences | |
|--|-------------------|-----------------|---------------------|---------------|---------------------------|-----------------|
| | As at 31 March | | As at 31 March | | (Unfunded) As at 31 March | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Fair value of plan assets | 931.47 | 883.36 | - | - | - | - |
| Present value of obligation | 2,778.23 | 2,535.58 | 1,071.99 | 899.92 | 2,064.16 | 1,667.08 |
| Amount recognised in consolidated balance sheet | 1,846.76 | 1,652.22 | 1,071.99 | 899.92 | 2,064.16 | 1,667.08 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

IV) Expense recognised during the year:

₹ in lakhs

| | Gratuity (Funded) | | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|--------------------------------|-------------------|---------------|---------------------|---------------|---------------------------------|---------------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Current service cost | 347.98 | 343.42 | 222.44 | 187.00 | 661.37 | 483.28 |
| Interest cost | 194.77 | 193.29 | 69.89 | 62.29 | 117.18 | 117.87 |
| Expected return on plan assets | (70.48) | (66.98) | - | - | - | - |
| Actuarial loss | 82.91 | 279.12 | 113.22 | 194.76 | 211.81 | 249.23 |
| Net cost | 555.18 | 748.85 | 405.55 | 444.05 | 990.36 | 850.38 |

V) Actuarial assumptions:

₹ in lakhs

| | Gratuity (Funded) | | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|--|------------------------------|----------------|---------------------|----------------|---------------------------------|----------------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Mortality Table | IALM (2006-08) duly modified | | | | | |
| Discount rate (per annum) | 7.99% to 8.00% | 7.99% to 8.00% | 7.99% to 8.00% | 7.99% to 8.00% | 8.00% | 8.00% |
| Expected rate of return on plan assets (per annum) | 7.99% to 8.00% | 7.99% to 8.00% | - | - | - | - |
| Rate of escalation in salary (per annum) | 5.50% to 8.00% | 5.50% to 8.00% | 5.50% to 8.00% | 5.50% to 8.00% | 5.50% to 8.00% | 5.50% to 8.00% |
| Retirement Age | 60 years | | | | | |

| Withdrawal rates | 2015-16 | | 2014-15 | |
|------------------|---------------|------------|---------------|------------|
| | Age | Percentage | Age | Percentage |
| | Upto 30 Year | 3 | Upto 30 Year | 3 |
| | Upto 44 Year | 2 | Upto 44 Year | 2 |
| | Above 44 Year | 1 | Above 44 Year | 1 |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Group's policy for plan assets management.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

VI) The present value of defined benefit obligations and experience adjustments arising on plan liabilities in current and previous four annual periods is as below

₹ in lakhs

| Particular | As at 31 March | | | | |
|---|----------------|----------|----------|----------|----------|
| | 2016 | 2015 | 2014 | 2013 | 2012 |
| Gratuity | | | | | |
| Defined benefit obligation | 3,850.22 | 3,435.50 | 3,029.82 | 2,346.18 | 2,293.31 |
| Fair value of plan assets | 931.47 | 883.36 | 852.78 | 541.28 | 658.22 |
| Deficit in the plan | 2,918.75 | 2,552.14 | 2,177.04 | 1,804.90 | 1,635.09 |
| Actuarial loss/ (gain) on plan obligation | 261.15 | 455.46 | 23.40 | 159.67 | (1.26) |
| Actuarial gain/ (loss) on plan assets | 65.02 | (18.42) | (10.85) | 35.46 | (24.78) |
| Experience adjustment of plan liabilities (loss)/ gain | (220.82) | (194.65) | (125.73) | 102.52 | 39.00 |
| Changes in actuarial assumptions of plan liabilities (loss)/ gain | (40.33) | (260.81) | 102.33 | (262.20) | (37.74) |
| Experience adjustment of plan assets (loss)/ gain | (65.02) | 18.42 | 10.85 | (35.46) | 24.78 |

Notes:

1. The discount rate is based on the prevailing market yield of Indian Government Securities as at the balance sheet date for the estimated term of obligations.
2. The expected return is based on the expectation of the average long term rate of return on investments of the fund during the estimated term of the obligations.
3. The estimates of future salary increases considering the inflation, seniority, promotion and other relevant factors.
4. Plan assets of the Group mainly comprise funds managed by the insurer i.e. Life Insurance Corporation of India.

(ii) Defined contribution plan

Contribution to defined contribution plans, recognised as expense for the year is as under:

The Group has contributed ₹ 2,546.08 lakhs (previous year ₹ 2,308.55 lakhs) to Provident Fund and Employee State Insurance and the same is recognised as an expense in the consolidated statement of Profit and Loss.

(iii) Other long term employee benefits

The Company, along with its subsidiary company, TV18 Broadcast Limited, has jointly established an Employee Welfare Plan on 2 February 2009 for the benefit of their existing and future employees and to administer the same, a Trust named Network18 Group Senior Professional Welfare Trust has been constituted under the Indian Trusts Act, 1881 vide Trust Deed dated 19 February 2009.

The Employee Welfare Plan provides that any accretion to the corpus of the Trust (like dividends, profit on sale of investments, interest income, etc.) will be utilised for the benefit of beneficiaries upon occurrence of certain specific events. It further provides that the amount of benefit to be provided out of such accretion will be at the discretion of the trustees.

During the year ended 31 March 2016 and 31 March 2015, there were no net accretions to the corpus of the aforementioned Trust and accordingly no liability or plan assets have been provided/ recognised in these consolidated financial statements.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

36. Leases

Operating leases (as lessee)

- i. The Group has taken various office premises under operating lease agreements. These are generally non-cancellable and are renewable by mutual consent on mutually agreed terms.
- ii. Lease payments for the year in respect of non-cancellable operating leases: ₹ 8,071.03 lakhs (previous year ₹ 8,195.20 lakhs)
- iii. The future minimum lease payments under non-cancelable operating leases are:

| Particulars | ₹ in lakhs | |
|---|------------------------|------------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| Not later than one year | 6,549.41 | 7,360.11 |
| Later than one year but not later than five years | 9,933.11 | 16,450.38 |
| Later than five years | 1,064.35 | 7,772.51 |

Finance leases (as lessee)

The Group has entered into finance lease arrangements for certain equipments which provide the Group an option to purchase the assets at the end of the lease period. Minimum lease payments amounting to ₹ nil (previous year ₹ 26.16 lakhs) have been made during the year.

37. The Group has recognised an expense of ₹ 1,238.84 lakhs (previous year ₹ 1,567.97 lakhs) in respect of the gift coupon cost under the head "Distribution, advertising and business promotion" in the statement of profit and loss for the year ended 31 March 2016 as per the AS-29 Provisions, Contingent Liabilities and Contingent Assets": The movement is given below:

| Particulars | ₹ in lakhs | |
|--|------------------------|------------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| Opening balance | 130.00 | 80.00 |
| Add: Provision made during the year | 1,208.84 | 1,617.97 |
| Less: Provision utilised during the year | 1,238.84 | 1,567.97 |
| Closing balance | 100.00 | 130.00 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| | Year ended 31 March 2016 | | | | Year ended 31 March 2015 | | | | | |
|---|--------------------------|----------------------------------|-----------------|--------------------|--------------------------|--------------------|----------------------------------|-----------------|--------------------|----------------------|
| | Media operations | Film production and distribution | Others | Unallocable | Total | Media operations | Film production and distribution | Others | Unallocable | Total |
| Revenue | | | | | | | | | | |
| Income from operations | 3,31,212.83 | 12,920.22 | - | - | 3,44,133.05 | 3,06,168.94 | 5,096.07 | - | - | 3,11,265.01 |
| Inter segment Revenue | - | - | - | - | (3,802.04) | - | - | - | - | 1,391.71 |
| Total revenue | 3,31,212.83 | 12,920.22 | - | - | 3,40,331.01 | 3,06,168.94 | 5,096.07 | - | - | 3,12,656.72 |
| Segment results | 11,246.59 | 134.16 | (146.41) | - | 11,234.34 | 3,162.73 | (644.33) | (117.86) | - | 2,400.53 |
| Add: Unallocated income | - | - | - | 9,167.85 | 9,167.85 | - | - | - | 6,481.43 | 6,481.43 |
| Less: Unallocated expenses | - | - | - | 2,255.76 | 2,255.76 | - | - | - | 1,031.97 | 1,031.97 |
| Less: Finance cost | - | - | - | 9,505.70 | 9,505.70 | - | - | - | 11,317.60 | 11,317.60 |
| Less: Exceptional items | - | - | - | - | - | - | - | - | 1,05,537.14 | 1,05,537.14 |
| Profit/(loss) before tax | 11,246.59 | 134.16 | (146.41) | - | 8,640.73 | 3,162.73 | (644.33) | (117.86) | - | (1,09,004.73) |
| Tax expense | - | - | - | - | 4,780.78 | - | - | - | - | 3,897.80 |
| Profit/(loss) after tax and before minority interest and share in profit of associates | 11,246.59 | 134.16 | (146.41) | - | 3,859.95 | 3,162.73 | (644.33) | (117.86) | - | (1,12,902.59) |
| Segment assets | 4,44,558.44 | 13,502.39 | 903.56 | - | 4,58,964.39 | 4,15,483.25 | 11,659.78 | 905.44 | - | 4,28,058.47 |
| Unallocated assets | - | - | - | 1,41,400.54 | 1,41,400.54 | - | - | - | 1,42,010.69 | 1,42,010.69 |
| Total assets | 4,44,558.44 | 13,502.39 | 903.56 | 1,41,400.54 | 6,00,364.93 | 4,15,483.25 | 11,659.78 | 905.44 | 1,42,010.69 | 5,70,069.16 |
| Segment liabilities | 1,25,829.90 | 3,085.87 | 88.71 | - | 1,29,004.48 | 1,14,135.48 | 2,102.83 | 155.19 | - | 1,16,393.50 |
| Unallocated liabilities | - | - | - | 1,22,112.35 | 1,22,112.35 | - | - | - | 1,10,998.26 | 1,10,998.26 |
| Total liabilities | 1,25,829.90 | 3,085.87 | 88.71 | 1,22,112.35 | 2,51,116.83 | 1,14,135.48 | 2,102.83 | 155.19 | 1,10,998.26 | 2,27,391.76 |
| Capital expenditure | - | - | - | - | 18,382.98 | - | - | - | - | 13,260.41 |
| Depreciation and amortisation | - | - | - | - | 8,970.59 | - | - | - | - | 7,518.79 |
| Non-cash expenditure other than depreciation and amortisation | - | - | - | - | 3,037.74 | - | - | - | - | 1,11,908.63 |

Notes:

The accounting policies adopted for segment reporting are in line with those of the Group with the following additional policies for segment reporting:

- Inter segment revenues have been accounted for based on the transaction price agreed to between segments at estimated cost of the transferor segment.
- Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.
- Revenues and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Unallocated corporate expense also includes taxes and finance charges and other unallocable corporate expenses.
- Assets and liabilities, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

38. Segment reporting

₹ in lakhs

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

39. Related party disclosures

i. List of related parties and relationships

| Sr No | Name of Related Party | Relationship |
|-------|---|--|
| 1 | Independent Media Trust (wef 07 July 2014) | |
| 2 | Adventure Marketing Private Limited (wef 07 July 2014)# | |
| 3 | Watermark Infratech Private Limited (wef 07 July 2014)# | |
| 4 | Colorful Media Private Limited (wef 07 July 2014)# | |
| 5 | RB Media Holdings Private Limited (wef 07 July 2014)# | Enterprises exercising control |
| 6 | RB Mediasoft Private Limited (wef 07 July 2014)# | |
| 7 | RRB Mediasoft Private Limited (wef 07 July 2014)# | |
| 8 | RB Holdings Private Limited (wef 07 July 2014)# | |
| 9 | Shinano Retail Private Limited (wef 07 July 2014) | |
| 10 | Reliance Industries Limited (RIL) (wef 07 July 2014) | Beneficiary/Protector of Independent Media Trust |
| 11 | Reliance Industrial Investments and Holdings Limited (wef 07 July 2014) | |
| 12 | IBN Lokmat News Private Limited | Jointly controlled entities |
| 13 | Viacom18 Media Private Limited | |
| 14 | IndiaCast Media Distribution Private Limited | |
| 15 | Ubona Technologies Private Limited | |
| 16 | Prism TV Private Limited (wef 01 August 2015) | |
| 17 | Indiacast Distribution Private Limited (earlier Indiacast UTV Media Distribution Private Limited) | |
| 18 | IndiaCast UK Limited | |
| 19 | IndiaCast US Limited | |
| 20 | The Indian Film Company Limited (upto 19 January 2015) | |
| 21 | Viacom18 US Inc | |
| 22 | Roptonal Limited, Cyprus | Associates |
| 23 | Viacom18 Media UK Limited | |
| 24 | 24X7 Learnings Private Limited | |
| 25 | Wespro Digital Private Limited (upto 08 April 2015) | |
| 26 | Eenadu Television Private Limited | |
| 27 | Aeon Learnings Private Limited | Key Management Personnel |
| 28 | Book My Show Limited | |
| 29 | A P Parigi (upto 30 September 2015) | |
| 30 | Reliance Retail Limited (wef 07 July 2014)* | Fellow subsidiaries |
| 31 | Reliance Brands Limited (wef 07 July 2014)* | |
| 32 | IMG Reliance Limited (wef 07 July 2014)* | |
| 33 | Reliance Corporate IT Park Limited (wef 07 July 2014)* | |
| 34 | Indiawin Sports Private Limited (wef 07 July 2014)* | |
| 35 | Reliance Commercial Trading Private Limited (wef 07 July 2014)* | |
| 36 | Reliance Jio Messaging Service Private Limited (wef 07 July 2014)* | |

(#) Control by Independent Media Trust of which RIL is the sole beneficiary

(*) Subsidiary of RIL, the sole beneficiary of Independent Media Trust

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

ii. Related party transactions and balances (figures in brackets represents figures for previous year)

| Particulars | ₹ in lakhs | | |
|--|-----------------------------|------------|---------------------|
| | Jointly controlled entities | Associates | Fellow subsidiaries |
| Income from operations and other income | | | |
| Viacom18 Media Private Limited | 1,387.57 | - | - |
| | (1,702.50) | (-) | (-) |
| IBN Lokmat News Private Limited | 37.26 | - | - |
| | (50.63) | (-) | (-) |
| Wespro Digital Private Limited | - | - | - |
| | (-) | (101.48) | (-) |
| Indiacast Distribution Private Limited | 0.20 | - | - |
| | (1,389.50) | (-) | (-) |
| IndiaCast UK Limited | 2,297.70 | - | - |
| | (2,063.94) | (-) | (-) |
| IndiaCast Media Distribution Private Limited | 3,541.36 | - | - |
| | (2,700.76) | (-) | (-) |
| IndiaCast US Limited | 283.75 | - | - |
| | (285.59) | (-) | (-) |
| Reliance Brands Limited | - | - | - |
| | (-) | (-) | (0.25) |
| Eenadu Television Private Limited | - | 9.43 | - |
| | (-) | (17.08) | (-) |
| Prism TV Private Limited | 379.18 | - | - |
| | (-) | (-) | (-) |
| IMG Reliance Limited | - | - | 1.55 |
| | (-) | (-) | (5.29) |
| Reliance Corporate IT Park Limited | - | - | - |
| | (-) | (-) | (21.88) |
| Reliance Retail Limited | - | - | 1.88 |
| | (-) | (-) | (-) |
| Indiawin Sports Private Limited | - | - | 106.71 |
| | (-) | (-) | (-) |
| Reliance Commercial Trading Private Limited | - | - | 14.00 |
| | (-) | (-) | (-) |
| Reliance Industries Limited | - | - | 0.45 |
| | (-) | (-) | (-) |
| Reliance Jio Messaging Service Private Limited | - | - | 0.05 |
| | (-) | (-) | (-) |
| Interest income | | | |
| Wespro Digital Private Limited | - | - | - |
| | (-) | (40.04) | (-) |
| Expenditure for services received | | | |
| Viacom18 Media Private Limited | 6,905.35 | - | - |
| | (6,069.05) | (-) | (-) |
| IBN Lokmat News Private Limited | 42.92 | - | - |
| | (18.70) | (-) | (-) |
| Reliance Retail Limited | - | - | - |
| | (-) | (-) | (5.66) |
| Indiacast Distribution Private Limited | 1,568.65 | - | - |
| | (1,121.52) | (-) | (-) |
| IndiaCast Media Distribution Private Limited | 7.61 | - | - |
| | (489.78) | (-) | (-) |
| Eenadu Television Private Limited | - | 248.71 | - |
| | (-) | (664.28) | (-) |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particulars | ₹ in lakhs | | |
|--|-----------------------------|------------|---------------------|
| | Jointly controlled entities | Associates | Fellow subsidiaries |
| Prism TV Private Limited | 140.36 | - | - |
| | (-) | (-) | (-) |
| Ubona Technologies Private Limited | 13.13 | - | - |
| | (16.19) | (-) | (-) |
| Ticket amount reimbursed | | | |
| Viacom18 Media Private Limited | - | - | - |
| | (205.10) | (-) | (-) |
| Ticket amount collected | | | |
| Viacom18 Media Private Limited | - | - | - |
| | (241.35) | (-) | (-) |
| Reimbursement of expenses (received) | | | |
| Wespro Digital Private Limited | - | - | - |
| | (-) | (8.88) | (-) |
| IBN Lokmat News Private Limited | 424.23 | - | - |
| | (484.51) | (-) | (-) |
| Viacom18 Media Private Limited | 5,336.90 | - | - |
| | (4,347.74) | (-) | (-) |
| Indiacast Distribution Private Limited | 19.52 | - | - |
| | (5.33) | (-) | (-) |
| IndiaCast Media Distribution Private Limited | 0.95 | - | - |
| | (40.56) | (-) | (-) |
| Eenadu Television Private Limited | - | 0.22 | - |
| | (-) | (1.15) | (-) |
| Reliance Retail Limited | - | - | 173.12 |
| | (-) | (-) | (53.56) |
| Prism TV Private Limited | 1,201.89 | - | - |
| | (-) | (-) | (-) |
| Reimbursement of expenses (paid) | | | |
| IBN Lokmat News Private Limited | 8.22 | - | - |
| | (46.49) | (-) | (-) |
| Viacom18 Media Private Limited | 23,214.77 | - | - |
| | (17,151.27) | (-) | (-) |
| Indiacast Distribution Private Limited | 7,000.31 | - | - |
| | (5,693.79) | (-) | (-) |
| IndiaCast Media Distribution Pvt Ltd | 14.43 | - | - |
| | (23.93) | (-) | (-) |
| Reliance Retail Limited | - | - | 0.11 |
| | (-) | (-) | (16.48) |
| IndiaCast US Limited | - | - | - |
| | (4.38) | (-) | (-) |
| IndiaCast UK Limited | 37.34 | - | - |
| | (33.21) | (-) | (-) |
| Eenadu Television Private Limited | - | 445.09 | - |
| | (-) | (488.49) | (-) |
| 24X7 Learnings Private Limited | - | 8.38 | - |
| | (-) | (-) | (-) |
| Prism TV Private Limited | 3,954.48 | - | - |
| | (-) | (-) | (-) |
| Assets purchased | | | |
| Reliance Retail Limited | - | - | 1.03 |
| | (-) | (-) | (3.75) |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particulars | ₹ in lakhs | | |
|--|-----------------------------|------------|---------------------|
| | Jointly controlled entities | Associates | Fellow subsidiaries |
| Viacom18 Media Private Limited | 73.50 | - | - |
| | (2.10) | (-) | (-) |
| Sale of Assets | | | |
| Reliance Retail Limited | - | - | 1.77 |
| | (-) | (-) | (43.10) |
| Collection on behalf of | | | |
| Wespro Digital Private Limited | - | - | - |
| | (-) | (332.78) | (-) |
| Balances outstanding at the year end | | | |
| Amount due from (Trade receivables) | | | |
| Viacom18 Media Private Limited | 2,820.90 | - | - |
| | (3,044.57) | (-) | (-) |
| IBN Lokmat News Private Limited | 67.18 | - | - |
| | (82.94) | (-) | (-) |
| Prism TV Private Limited | 734.08 | - | - |
| | (-) | (-) | (-) |
| Reliance Industries Limited | - | - | 1.04 |
| | (-) | (-) | (0.53) |
| Indiacast Distribution Private Limited | 71.29 | - | - |
| | (37.55) | (-) | (-) |
| IndiaCast UK Limited | 503.10 | - | - |
| | (621.16) | (-) | (-) |
| IndiaCast Media Distribution Private Limited | 688.74 | - | - |
| | (508.27) | (-) | (-) |
| IndiaCast US Limited | 75.05 | - | - |
| | (19.18) | (-) | (-) |
| Reliance Commercial Trading Private Limited | - | - | 16.03 |
| | (-) | (-) | (-) |
| Loans/advances receivable at the year end | | | |
| Viacom18 Media Private Limited | - | - | - |
| | (3.35) | (-) | (-) |
| IBN Lokmat News Private Limited | - | - | - |
| | (91.44) | (-) | (-) |
| IndiaCast Media Distribution Private Limited | - | - | - |
| | (1.80) | (-) | (-) |
| Eenadu Television Private Limited | - | - | - |
| | (-) | (60.00) | (-) |
| Prism TV Private Limited | 1.48 | - | - |
| | (-) | (-) | (-) |
| Amounts due to | | | |
| Ubona Technologies Private Limited | 1.11 | - | - |
| | (1.55) | (-) | (-) |
| Viacom18 Media Private Limited | 21,512.78 | - | - |
| | (24,201.14) | (-) | (-) |
| IBN Lokmat News Private Limited | 9.15 | - | - |
| | (6.61) | (-) | (-) |
| Wespro Digital Private Limited | - | - | - |
| | (-) | (4.10) | (-) |
| IndiaCast Media Distribution Private Limited | 1,420.56 | - | - |
| | (2.47) | (-) | (-) |
| Eenadu Television Private Limited | - | 152.58 | - |
| | (-) | (217.82) | (-) |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Particulars | ₹ in lakhs | | |
|--|-----------------------------|------------|---------------------|
| | Jointly controlled entities | Associates | Fellow subsidiaries |
| Indiacast Distribution Private Limited | 1,970.91 | - | - |
| | (5,005.08) | (-) | (-) |
| Prism TV Private Limited | 4,881.88 | - | - |
| | (-) | (-) | (-) |
| Reliance Retail Limited | - | - | 3.90 |
| | (-) | (-) | (-) |
| Provision for doubtful advances | | | |
| Viacom18 Media Private Limited | - | - | - |
| | (138.77) | (-) | (-) |
| Income Accrued | | | |
| Viacom18 Media Private Limited | - | - | - |
| | (2.34) | (-) | (-) |
| Provision for expenses | | | |
| Viacom18 Media Private Limited | - | - | - |
| | (234.80) | (-) | (-) |
| IndiaCast UK limited | - | - | - |
| | (15.17) | (-) | (-) |

40. Details of foreign currency exposures that are not hedged by derivative instruments in entities where the reporting currency is in Rupees - (figures in brackets represents figures for previous year)

| Currency | Payable in foreign currency | Rupee equivalent (₹ in lakhs) | Receivable in foreign currency | Rupee equivalent (₹ in lakhs) |
|-----------------------------------|-----------------------------|-------------------------------|--------------------------------|-------------------------------|
| United States Dollar (USD) | 66,29,131 | 9,581.26 | 1,04,62,310 | 6,937.23 |
| | (86,83,976) | (5,430.49) | (59,50,213) | (3,716.87) |
| Pound (GBP) | 1,61,062 | 153.25 | 9,41,490 | 895.46 |
| | (1,49,264) | (138.27) | (13,37,013) | (1,241.68) |
| EURO | 63,867 | 48.12 | 9,703 | 7.29 |
| | (15,247) | (10.37) | (12,083) | (7.31) |
| Australia Dollar (AUD) | 2,413 | 1.22 | 2,00,599 | 101.54 |
| | (2,488) | (1.21) | (1,35,426) | (65.11) |
| Singapore Dollar (SGD) | 22,741 | 11.16 | 86,637 | 42.36 |
| | (14,003) | (6.35) | (49,555) | (22.55) |
| Canada Dollar (CAD) | 2,68,597 | 138.95 | 5,95,946 | 297.38 |
| | (-) | (-) | (4,88,194) | (243.00) |
| United Arab Emirates Dirham (AED) | 6,91,746 | 124.54 | - | - |
| | (4,10,389) | (69.95) | (-) | (-) |
| Indonesian Rupiah (IDR) | - | - | 28,13,86,163 | 13.93 |
| | (-) | (-) | (24,21,30,000) | (11.53) |
| China Yuan Renminbi (RMB) | - | - | 641 | 0.07 |
| | (-) | (-) | (-) | (-) |
| Malaysian Ringgit (MYR) | - | - | - | - |
| | (-) | (-) | (50,625) | (8.52) |
| Swiss Franc (CHF) | - | - | 5,700 | 3.93 |
| | (-) | (-) | (-) | (-) |
| Hong Kong Dollar (HKD) | 36,288 | 3.10 | - | - |
| | (-) | (-) | (-) | (-) |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Currency | Loans and advances and other current assets in foreign currency | Rupee equivalent (₹ in lakhs) | Advance from customer in foreign currency | Rupee equivalent (₹ in lakhs) |
|-----------------------------------|---|-------------------------------|---|-------------------------------|
| United States Dollar (USD) | 13,28,505 | 881.24 | 4,14,907 | 275.05 |
| | (18,79,140) | (1,173.79) | (16,17,135) | (1,012.18) |
| Pound (GBP) | 11,096 | 10.55 | - | - |
| | (12,223) | (11.35) | (188) | (0.17) |
| EURO | 31,014 | 23.29 | - | - |
| | (25,427) | (17.29) | (-) | (-) |
| Australia Dollar (AUD) | 26,872 | 13.60 | 6,074 | 3.07 |
| | (65,764) | (31.62) | (27) | (0.01) |
| Singapore Dollar (SGD) | 51,570 | 25.21 | 21,684 | 10.60 |
| | (55,660) | (25.32) | (20,191) | (6.19) |
| Canada Dollar (CAD) | 45,368 | 17.33 | - | - |
| | (48,722) | (24.25) | (-) | (-) |
| United Arab Emirates Dirham (AED) | 1,44,806 | 26.07 | 4,82,777 | 86.92 |
| | (81,257) | (13.81) | (47,250) | (8.04) |
| Indonesian Rupiah (IDR) | 9,00,00,000 | 4.46 | - | - |
| | (3,02,66,250) | (1.44) | (-) | (-) |

| Currency | Bank | Rupee equivalent (₹ in lakhs) | Unbilled Revenue | Rupee equivalent (₹ in lakhs) |
|-----------------------------------|-----------|-------------------------------|------------------|-------------------------------|
| United States Dollar (USD) | 1,44,426 | 95.80 | 1,55,882 | 103.52 |
| | (-) | (-) | (-) | (-) |
| Canada Dollar (CAD) | - | - | 148 | 0.08 |
| | (-) | (-) | (-) | (-) |
| United Arab Emirates Dirham (AED) | 12,88,661 | 232.00 | - | - |
| | (-) | (-) | (-) | (-) |

Figures in brackets are for previous year.

In case of TV18 Home Shopping Network Limited, cross currency forward contract is used to hedge risks associated with fluctuations in foreign currency and interest rates relating to foreign liabilities. The following are outstanding derivatives contracts :

| Description of hedge | ₹ in lakhs | |
|---|---|---------------------|
| | As at 31 March 2016 | As at 31 March 2015 |
| To take protection against appreciation in Indian Rupees against USD payable in respect of imports against letter of credit | Amount in foreign currency (USD) | |
| | 10,71,511 | 10,70,900 |
| | Amount in Indian Rupees in lakhs | |
| 710.73 | 670.28 | |

41. Interests in Jointly Controlled Entities

The Group's interests in Jointly Controlled Entities are as follows:

| Name of the entity | Country of incorporation | Group's share 31 March 2016 | Group's share 31 March 2015 |
|--|--------------------------|-----------------------------|-----------------------------|
| IBN Lokmat News Private Limited | India | 50% | 50% |
| Ubona Technologies Private Limited | India | 50% | 50% |
| Viacom18 Media Private Limited | India | 50% | 50% |
| IndiaCast Media Distribution Private Limited | India | 50% | 50% |
| Prism TV Private Limited (wef 1 August 2015) | India | 50% | - |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

The financial statements of the jointly controlled entities have been incorporated into these consolidated financial statements using the proportionate consolidation method. The aggregate amounts relating to those jointly controlled entities are as follows:

| Particulars | ₹ in lakhs | |
|--------------------------|--------------------|--------------------|
| | 31 March 2016 | 31 March 2015 |
| Current assets | 1,13,107.05 | 93,942.14 |
| Non-current assets | 30,016.12 | 24,561.22 |
| Total assets | 1,43,123.18 | 1,18,503.36 |
| Current liabilities | 78,888.46 | 59,277.46 |
| Non-current liabilities | 10,633.93 | 6,731.34 |
| Total liabilities | 89,522.39 | 66,008.80 |
| Revenue | 1,55,355.02 | 1,21,108.74 |
| Expenses | 1,42,463.05 | 1,07,396.57 |
| Profit before tax | 12,891.97 | 13,712.17 |
| Income tax expenses | 3,147.16 | 2,484.38 |
| Profit after tax | 9,744.81 | 11,227.79 |

42. Barter transactions

During the year ended 31 March 2016, the Group had entered into barter transactions, which were recorded at the fair value of consideration receivable or payable. The consolidated statement of profit and loss for the year 31 March 2016 reflects revenue from barter transactions of ₹ 676.70 lakhs (previous year ₹ 1,974.24 lakhs) and expenditure of ₹ 386.54 lakhs (previous year ₹ 1,337.17 lakhs) being the fair value of barter transactions provided and received.

43. During the previous years, Infomedia Press Limited has closed the printing press business and discontinued the printing operations. As at 31 March 2016, the carrying amount of such assets and liabilities of discontinuing operations which were not disposed off for previous year was ₹ 860.93 lakhs (previous year ₹ 851.44 lakhs) and ₹ 639.59 lakhs (previous year ₹ 697.37 lakhs) respectively. The following statement shows the revenue and expenses of continuing and discontinuing operations:

The following statement shows the revenue, expenses, assets and liabilities of discontinuing operation:

| Particulars | ₹ in lakhs | | | | | |
|---------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Continuing operations | | Discontinuing operations | | Total | |
| | Year ended 31 March 2016 | Year ended 31 March 2015 | Year ended 31 March 2016 | Year ended 31 March 2015 | Year ended 31 March 2016 | Year ended 31 March 2015 |
| Revenue | | | | | | |
| Revenue from operations | 3,40,331.01 | 3,12,656.72 | - | - | 3,40,331.01 | 3,12,656.72 |
| Other income | 9,100.22 | 6,407.52 | 67.63 | 73.91 | 9,167.85 | 6,481.43 |
| Total revenue | 3,49,431.23 | 3,19,064.24 | 67.63 | 73.91 | 3,49,498.86 | 3,19,138.15 |
| Expenses | | | | | | |
| Cost of material consumed | 297.89 | 568.71 | - | - | 297.89 | 568.71 |
| Employee benefits expense | 66,904.83 | 56,928.38 | 3.21 | 3.82 | 66,908.04 | 56,932.20 |
| Other operating expenses | 2,55,044.09 | 2,39,746.42 | 131.82 | 113.10 | 2,55,175.91 | 2,39,859.52 |
| Depreciation and amortisation expense | 8,970.59 | 7,518.79 | - | - | 8,970.59 | 7,518.79 |
| Finance costs | 9,505.70 | 11,317.60 | - | - | 9,505.70 | 11,317.60 |
| Total expenses | 3,40,723.10 | 3,16,079.90 | 135.03 | 116.92 | 3,40,858.13 | 3,16,196.82 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

₹ in lakhs

| Particulars | Continuing operations | | Discontinuing operations | | Total | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Year ended 31 March 2016 | Year ended 31 March 2015 | Year ended 31 March 2016 | Year ended 31 March 2015 | Year ended 31 March 2016 | Year ended 31 March 2015 |
| Profit/ (loss) before exceptional items and tax | 8,708.13 | 2,984.34 | (67.40) | (43.01) | 8,640.73 | 2,941.33 |
| Exceptional items | - | (1,05,537.14) | - | - | - | (1,05,537.14) |
| Prior period items | - | (6,408.92) | - | - | - | (6,408.92) |
| Profit/ (loss) before tax | 8,708.13 | (1,08,961.72) | (67.40) | (43.01) | 8,640.73 | (1,09,004.73) |
| Current tax expense | 4,626.08 | 4,256.66 | - | - | 4,626.08 | 4,256.66 |
| Deferred tax | 154.70 | (358.86) | - | - | 154.70 | (358.86) |
| Profit/ (loss) for the period | 3,927.35 | (1,12,859.52) | (67.40) | (43.01) | 3,859.95 | (1,12,902.53) |
| Assets | 5,99,503.99 | 5,69,217.72 | 860.93 | 851.44 | 6,00,364.92 | 5,70,069.16 |
| Liabilities | 2,50,477.24 | 2,26,694.39 | 639.59 | 697.37 | 2,51,116.83 | 2,27,391.76 |

44. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

| Name of the entity | Net Assets i.e. total assets minus total liabilities | | Share in profit or loss | |
|---|--|---------------------|-------------------------------------|---------------------|
| | As % of consolidated net assets | Amount (₹ in lakhs) | As % of consolidated profit or loss | Amount (₹ in lakhs) |
| Parent | | | | |
| Network18 Media & Investments Limited | 75.1% | 2,62,405.93 | 262.2% | (9,096.10) |
| Subsidiaries | | | | |
| Indian | | | | |
| 1 TV 18 Broadcast Limited | 103.4% | 3,61,188.76 | -354.3% | 12,288.99 |
| 2 RVT Media Private Limited | 1.0% | 3,452.94 | 0.1% | (4.61) |
| 3 AETN18 Media Private Limited | 0.9% | 3,260.42 | -1.9% | 64.61 |
| 4 Digital18 Media Limited | -1.3% | (4,519.67) | 8.8% | (303.60) |
| 5 Infomedia Press Limited | -0.8% | (2,734.35) | 10.7% | (370.76) |
| 6 TV18 Home Shopping Network Limited | -2.1% | (7,258.00) | 243.0% | (8,429.56) |
| 7 e-Eighteen.com Limited | 1.6% | 5,459.14 | -58.4% | 2,027.46 |
| 8 Moneycontrol Dot Com India Limited | 0.0% | (0.89) | -0.3% | 9.70 |
| 9 Web 18 Software Services Limited | 0.0% | (39.87) | 0.1% | (3.01) |
| 10 Big Tree Entertainment Private Limited | 4.7% | 16,339.45 | -9.2% | 317.42 |
| 11 Spacebound Web labs Private Limited | 0.0% | (38.27) | 2.4% | (83.67) |
| 12 Faintain Sports Private Limited | 0.1% | 301.61 | 1.2% | (42.15) |
| 13 Capital18 Fincap Private Limited | 0.5% | 1,732.50 | -54.9% | 1,903.68 |
| 14 RRB Finhold Private Limited | -0.2% | (609.50) | -1.4% | 49.35 |
| 15 RVT Finhold Private Limited | -0.1% | (468.07) | 0.0% | (0.97) |
| 16 Colosseum Media Private Limited | 0.4% | 1,522.26 | -6.6% | 230.37 |
| 17 Setpro18 Distribution Limited | 0.0% | (162.65) | 0.1% | (2.73) |
| 18 Reed Infomedia India Private Limited | 0.0% | 1.10 | 0.0% | (0.34) |
| 19 RRB Investments Private Limited | -0.6% | (1,992.05) | 0.1% | (2.79) |
| 20 Greycells18 Media Limited | -0.2% | (528.70) | 17.8% | (617.43) |
| 21 Equator Trading Enterprises Private Limited | 5.6% | 19,730.11 | 0.5% | (16.73) |
| 22 Panorama Television Private Limited | 2.9% | 10,165.18 | 71.3% | (2,473.47) |
| 23 Prism TV Private Limited (upto 31 July 2015) | | | 74.4% | (2,579.85) |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

| Name of the entity | Net Assets i.e. total assets minus total liabilities | | Share in profit or loss | |
|--|--|---------------------|-------------------------------------|---------------------|
| | As % of consolidated net assets | Amount (₹ in lakhs) | As % of consolidated profit or loss | Amount (₹ in lakhs) |
| Foreign | | | | |
| 1 ibn18 (Mauritius) Limited | 9.4% | 32,741.46 | -23.6% | 817.35 |
| 2 Television Eighteen Mauritius Limited | 0.7% | 2,522.13 | -0.8% | 28.79 |
| 3 Television Eighteen Media and Investments Limited | 8.3% | 28,848.33 | 18.2% | (630.49) |
| 4 Network 18 Holding Limited, Mauritius | -3.4% | (12,042.92) | 8.4% | (292.92) |
| 5 NW18 HSN Holdings PLC | 15.2% | 52,993.24 | -9.0% | 313.51 |
| 6 E-18 Limited | 2.4% | 8,392.98 | -0.3% | 9.74 |
| 7 Web 18 Holdings Limited | 6.6% | 22,956.21 | 1.2% | (43.10) |
| 8 Big Tree Entertainment Singapore PTE Limited | 0.2% | 663.12 | 0.0% | (0.08) |
| Minority Interest in all Subsidiaries | 54.4% | 1,89,947.93 | -223.7% | 7,760.98 |
| Associates (as per the equity method) | | | | |
| 1 Eenadu Television Private Limited | 13.6% | 47,539.24 | -12.1% | 419.93 |
| 2 Book my show limited ,New Zealand | 0.0% | 31.64 | -0.4% | 12.32 |
| 3 24 X 7 Learning Private Limited | 0.0% | - | 0.0% | - |
| 4 Aeon Learning Private Limited | 0.0% | - | 0.0% | - |
| Jointly Controlled Entities (as per proportionate consolidation/ investment as per the equity method) | | | | |
| Indian | | | | |
| 1 IndiaCast Media Distribution Private Limited | 0.2% | 761.51 | 0.1% | (5.09) |
| 2 IBN Lokmat News Private Limited | 0.2% | 823.49 | -1.8% | 61.77 |
| 3 Indiacast Distribution Private Limited (formerly Indiacast UTV Media Distribution Private Limited) | 0.1% | 457.54 | -2.6% | 90.04 |
| 4 Viacom18 Media Private Limited | 15.5% | 54,046.75 | -278.8% | 9,671.55 |
| 5 Prism TV Private Limited (wef 1 August 2015) | 1.3% | 4,420.23 | 43.4% | (1,503.75) |
| 6 Ubona Technologies Private Limited | 0.2% | 533.30 | -2.1% | 72.66 |
| Foreign | | | | |
| 1 IndiaCast UK Limited | 0.0% | 135.01 | -1.0% | 33.53 |
| 2 IndiaCast US Limited | 0.0% | 92.86 | -0.5% | 18.83 |
| 3 Viacom18 Media (UK) Limited | -0.1% | (202.53) | 0.0% | (0.04) |
| 4 Viacom18 US Inc | -0.1% | (391.04) | 0.2% | (7.28) |
| 5 Roptonal Limited | 4.6% | 16,019.61 | -2.6% | 91.46 |

45. TV18 Home Shopping Network Limited is subject to the uplinking and downlinking guidelines issued by the Ministry of Information and Broadcasting ('MIB'), Government of India and has obtained approval from MIB dated 23 November 2007 to uplink and downlink "HomeShop18" television channel for a period of ten and five years respectively. The downlinking license has been further renewed till 22 November 2016. As at the end of the current year, the net worth of the TV18 Home Shopping Network Limited has fully eroded and the management of the TV18 Home Shopping Network Limited is in process of addressing the same. The management does not expect this to have any adverse impact on the operations of TV18 Home Shopping Network Limited.
46. Figures pertaining to the subsidiaries, associates and joint ventures have been reclassified wherever necessary to bring them in line with the Group's financial statements.
47. Significant accounting policies, statutory and explanatory information of the Company and its subsidiaries are disclosed in the respective separate financial statements. Policies and information which have material bearing on the true and fair view of the consolidated financial statement have been disclosed in the consolidated financial statement.

All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

48. Dues to small and micro enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development (“MSMED”) Act 2006#

| | ₹ in lakhs | |
|---|---------------|---------------|
| | 31 March 2016 | 31 March 2015 |
| Principal amount remaining unpaid | 168.18 | 23.06 |
| Interest due thereon | - | - |
| Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year | - | - |
| Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 | - | - |
| Interest accrued and remaining unpaid | - | - |
| Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

The details of amounts outstanding to micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as per available information with the Group.

49. During the year, entire stake in Stargaze Entertainment Private Limited, a subsidiary of the Company, is sold and profit of ₹ 4,329.26 lakhs on such sale is included in other income. Accordingly, figures of the current period are not comparable with previous year.

50. Prism TV Private Limited (“Prism TV”) was a subsidiary of Equator Trading Enterprises Private Limited till 31 July 2015. Consequent to a joint venture agreement, post-acquisition of 50% of the Prism TV’s shareholding by Nickelodeon Asia Holdings Pte Ltd, Prism TV has become a Jointly Controlled Entity effective 1 August 2015. Accordingly, effect has been given to assets and liabilities of Prism TV, which are included in the consolidated financial statement.

51. Corporate Social Responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the group during the year is ₹ 184.45 lakhs (previous year ₹ 52.71 lakhs).
- (b) Expenditure related to corporate social responsibility is ₹ 237.50 lakhs (previous year ₹ nil).

Details of amount spent during the year on:

| | ₹ in lakhs | | |
|--------------|----------------------------|----------------|---------------|
| Particulars | In cash / cheque/ transfer | Yet to be paid | Total |
| Health Care | 14.00 | - | 14.00 |
| Education | 129.00 | - | 129.00 |
| Others | 42.95 | 51.55 | 94.50 |
| Total | 185.95 | 51.55 | 237.50 |

Summary of Significant Accounting Policies

and other explanatory information for the year ended 31 March 2016

- 52.** The accumulated losses of the Infomedia Press Limited have resulted in the erosion of its net worth. Infomedia has been legally advised that in view of closure of its printing operations, the provisions of Sick Industrial Companies (Special provisions) Act, 1985 are not applicable to it.
- 53.** Previous year's figures have been regrouped /reclassified, wherever necessary to conform to the current year's presentation.

For **Walker Chandio & Co LLP**
(formerly Walker, Chandio & Co)
Chartered Accountants
Firm's Registration No.:001076N/N500013

per **B P Singh**
Partner
Membership No.:70116

Place : Noida
Date : 20 April 2016

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Hariharan Mahadevan
Group Chief Financial Officer

Place : Mumbai
Date : 20 April 2016

Rohit Bansal
Director
DIN : 02067348

Yug Samrat
Company Secretary
M No. FCS6118

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014] Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

| Sr No. | Name of Subsidiary Company | Reporting Currency | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit Before Taxation | Provision for Taxation | Profit After Taxation | Proposed Dividend | % of Shareholding | Foreign currency in million | |
|--------|---|--------------------|---------------|--------------------|--------------|-------------------|-------------|-----------|------------------------|------------------------|-----------------------|-------------------|-------------------|-----------------------------|------------|
| | | | | | | | | | | | | | | ₹ in lakhs | ₹ in lakhs |
| 1 | TV 18 Broadcast Limited | INR | 34,287.45 | 3,25,901.31 | 4,19,815.85 | 58,627.09 | 3,33,763.32 | 62,618.38 | 12,288.99 | - | 12,288.99 | - | 51.16% | | |
| 2 | ibn18 (Mauritius) Limited | INR | 28,198.29 | 4,543.17 | 32,765.93 | 24.48 | - | - | 842.62 | 25.28 | 817.35 | - | 51.16% | | |
| | | USD | 56.25 | (6.89) | 49.40 | 0.04 | - | - | 1.28 | 0.04 | 1.24 | - | | | |
| 3 | RVT Media Private Limited | INR | 9.66 | 3,443.28 | 7,022.32 | 3,569.38 | 7,022.01 | 0.13 | (4.61) | - | (4.61) | - | 51.16% | | |
| 4 | AETN18 Media Private Limited | INR | 4,961.60 | (1,701.18) | 7,450.77 | 4,190.35 | - | 6,491.54 | 64.61 | - | 64.61 | - | 26.09% | | |
| 5 | IBN Lokmat News Private Limited# | INR | 3,242.75 | (2,419.26) | 1,138.48 | 314.99 | - | 1,404.72 | 58.39 | (3.38) | 61.77 | - | 25.58% | | |
| 6 | Television Eighteen Mauritius Limited | INR | 8,155.27 | (5,633.15) | 6,291.16 | 3,769.03 | 3,516.36 | - | 28.79 | - | 28.79 | - | 100.00% | | |
| | | USD | 12.30 | (8.49) | 9.48 | 5.68 | 5.30 | - | 0.04 | - | 0.04 | - | | | |
| 7 | Television Eighteen Media and Investments Limited | INR | 32,646.76 | (3,798.43) | 53,077.47 | 24,229.14 | 52,162.10 | - | (630.49) | - | (630.49) | - | 100.00% | | |
| | | USD | 49.22 | (5.73) | 80.02 | 36.53 | 78.64 | - | (0.95) | - | (0.95) | - | | | |
| 8 | Network18 Holdings Limited, Mauritius | INR | 994.95 | (13,037.87) | 41,358.80 | 53,401.71 | 9,217.71 | - | (292.92) | - | (292.92) | - | 100.00% | | |
| | | USD | 1.50 | (19.66) | 62.35 | 80.51 | 13.90 | - | (0.44) | - | (0.44) | - | | | |
| 9 | Digital18 Media Limited | INR | 5.00 | (4,524.67) | 1,250.95 | 5,770.62 | - | 2,366.31 | (303.60) | - | (303.60) | - | 100.00% | | |
| 10 | Infomedia Press Limited | INR | 5,019.42 | (7,753.77) | 903.58 | 3,637.93 | - | - | (370.76) | - | (370.76) | - | 50.69% | | |
| 11 | NW18 HSN Holdings PLC | INR | 4,799.52 | 48,193.72 | 56,918.68 | 3,925.44 | 56,888.95 | - | 423.19 | 109.68 | 313.51 | - | 53.71% | | |
| | | USD | 7.24 | 72.66 | 85.81 | 5.92 | 85.77 | - | 0.64 | 0.17 | 0.47 | - | | | |
| 12 | TV18 Home Shopping Network Limited | INR | 896.76 | (8,154.75) | 24,474.99 | 31,732.99 | - | 36,772.03 | (8,429.56) | - | (8,429.56) | - | 53.71% | | |
| 13 | e-Eighteen.com Limited | INR | 540.40 | 4,918.74 | 8,621.20 | 3,162.06 | 3.20 | 6,707.05 | 3,107.33 | 1,079.87 | 2,027.46 | - | 91.95% | | |
| 14 | Moneycontrol Dot Com India Limited | INR | 5.00 | (5.89) | 6.06 | 6.95 | - | 15.96 | 8.16 | (1.54) | 9.70 | - | 91.95% | | |
| 15 | Web 18 Software Services Limited | INR | 105.94 | (145.21) | 6.69 | 46.56 | - | 11.50 | (3.01) | - | (3.01) | - | 100.00% | | |
| 16 | E-18 Limited | INR | 137.88 | 8,255.10 | 8,403.02 | 10.05 | 5,442.91 | - | (19.67) | (29.41) | 9.74 | - | 100.00% | | |
| | | USD | 0.21 | 12.45 | 12.67 | 0.02 | 8.21 | - | (0.03) | (0.04) | 0.01 | - | | | |
| 17 | Web 18 Holdings Limited | INR | 311.53 | 22,644.68 | 22,967.59 | 11.38 | 22,208.95 | - | (40.44) | 2.66 | (43.10) | - | 100.00% | | |
| | | USD | 0.47 | 34.14 | 34.63 | 0.02 | 33.48 | - | (0.06) | 0.00 | (0.06) | - | | | |
| 18 | Big Tree Entertainment Private Limited | INR | 61.24 | 16,278.20 | 24,930.28 | 8,590.83 | 6,925.09 | 23,593.69 | 317.42 | - | 317.42 | - | 39.35% | | |
| 19 | Spacebound Web labs private Limited | INR | 1.39 | (39.66) | 10.70 | 48.97 | - | 6.41 | (63.67) | - | (63.67) | - | 22.09% | | |
| 20 | Faintain Sports Private Limited | INR | 210.90 | 90.71 | 320.67 | 19.06 | - | 41.16 | (60.21) | (18.06) | (42.15) | - | 20.07% | | |
| 21 | Bigtree Entertainment Singapore Pte Limited | INR | 663.20 | (0.08) | 663.12 | (0.00) | - | - | (0.08) | - | (0.08) | - | 39.35% | | |
| | | USD | 1.00 | (0.00) | 1.00 | - | - | - | (0.00) | - | (0.00) | - | | | |
| 22 | Capital18 Fincap Private Limited | INR | 255.80 | 1,476.70 | 9,586.21 | 7,853.71 | 8,823.34 | - | 1,903.68 | - | 1,903.68 | - | 100.00% | | |
| 23 | RRK Finhold Private Limited | INR | 1.00 | (610.50) | 9.74 | 619.23 | - | 0.25 | 49.35 | - | 49.35 | - | 100.00% | | |
| 24 | RVT Finhold Private Limited | INR | 1.00 | (469.07) | 2,849.48 | 3,317.56 | 2,848.97 | 0.26 | (0.97) | - | (0.97) | - | 100.00% | | |
| 25 | Colosseum Media Private Limited | INR | 128.46 | 1,393.80 | 2,862.85 | 1,340.58 | - | 5,683.74 | 391.68 | 161.30 | 230.37 | - | 100.00% | | |
| 26 | Setpro18 Distribution Limited | INR | 34.00 | (196.65) | 1,108.24 | 1,270.89 | - | - | (2.73) | - | (2.73) | - | 100.00% | | |
| 27 | Reed Infomedia India Private Limited | INR | 1,000.00 | (998.90) | 2.12 | 1.02 | - | - | (0.34) | - | (0.34) | - | 100.00% | | |
| 28 | RRB Investments Private Limited | INR | 201.00 | (2,193.05) | 2,831.88 | 4,823.93 | 2,806.82 | - | (2.79) | - | (2.79) | - | 100.00% | | |
| 29 | Graycells18 Media Limited | INR | 1,163.80 | (1,692.50) | 600.58 | 1,129.29 | - | 380.01 | (617.43) | - | (617.43) | - | 74.22% | | |

| Sr No. | Name of Subsidiary Company | Reporting Currency | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit Before Taxation | Provision for Taxation | Profit After Taxation | Proposed Dividend | % of Shareholding | Foreign currency in million | |
|--------|--|--------------------|---------------|--------------------|--------------|-------------------|-------------|-------------|------------------------|------------------------|-----------------------|-------------------|-------------------|-----------------------------|------------|
| | | | | | | | | | | | | | | ₹ in lakhs | ₹ in lakhs |
| 30 | Equator Trading Enterprises Private Limited | INR | 20,000.00 | (269.89) | 1,56,302.31 | 1,36,572.20 | 1,56,296.38 | 0.27 | (16.73) | - | (16.73) | - | 51.16% | | |
| 31 | Panorama Television Private Limited | INR | 2,495.96 | 7,669.22 | 28,323.29 | 18,158.11 | - | 23,723.43 | (2,168.92) | 304.55 | (2,473.47) | - | 51.16% | | |
| 32 | Ptism TV Private Limited# | INR | 1,357.76 | 3,062.47 | 19,919.71 | 15,499.48 | - | 27,732.94 | (4,083.60) | - | (4,083.60) | - | 25.68% | | |
| 33 | Indiacast Media Distribution Private Limited# | INR | 22.80 | 738.71 | 6,417.87 | 5,656.35 | 238.51 | 9,502.27 | 111.15 | 116.23 | (5.09) | - | 38.37% | | |
| 34 | Indiacast UK Limited# | INR | 28.53 | 106.49 | 1,859.59 | 1,724.57 | - | 4,974.06 | 62.52 | 28.99 | 33.53 | - | 38.37% | | |
| | | GBP | 0.03 | 0.11 | 1.96 | 1.81 | - | 5.23 | 0.07 | 0.03 | 0.04 | - | - | | |
| 35 | Indiacast US Limited# | INR | 33.17 | 59.70 | 1,302.81 | 1,209.95 | - | 3,452.97 | 40.52 | 21.69 | 18.83 | - | 38.37% | | |
| | | USD | 0.05 | 0.09 | 1.96 | 1.82 | - | 5.21 | 0.06 | 0.03 | 0.03 | - | - | | |
| 36 | Indiacast Distribution Private Limited (earlier Indiacast UTV Media Distribution Private Limited)# | INR | 250.00 | 207.54 | 18,493.65 | 18,086.11 | - | 3,839.69 | 134.49 | 44.45 | 90.04 | - | 38.37% | | |
| 37 | Viacom18 Media (UK) Limited# | INR | 1.18 | (203.71) | 235.34 | 437.86 | - | - | (0.04) | - | (0.04) | - | 25.68% | | |
| | | GBP | 0.00 | (0.21) | 0.25 | 0.46 | - | - | (0.00) | - | (0.00) | - | - | | |
| 38 | Viacom18 Media Private Limited# | INR | 4,776.98 | 49,269.77 | 1,26,820.42 | 72,773.72 | 18,356.99 | 1,20,631.70 | 12,541.55 | 2,870.00 | 9,671.55 | - | 25.68% | | |
| 39 | Viacom18 US Inc# | INR | 1.66 | (392.70) | 98.95 | 489.99 | - | - | (7.28) | - | (7.28) | - | 25.68% | | |
| | | USD | 0.00 | (0.59) | 0.15 | 0.74 | - | - | (0.01) | - | (0.01) | - | - | | |
| 40 | Roptional Limited# | INR | 2.69 | 16,016.91 | 16,036.04 | 16.43 | - | 14.93 | (2.06) | (93.52) | 91.46 | - | 25.68% | | |
| | | GBP | 0.00 | 16.84 | 16.86 | 0.02 | - | 0.02 | (0.00) | (0.10) | 0.10 | - | - | | |

Considered 50%

Refer note 50 of Consolidated Financial Statements

As on 31.03.2016 : 1US\$ = ₹ 66.33,

1GBP = ₹ 95.09

Part “B” : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act , 2013 related to Associate Companies and Joint Ventures

| Sr. No. | Name of Associates/Joint Ventures | Latest audited Balance Sheet Date | Shares of Associate/Joint Ventures held by the company on the year end | | Extend of Holding % | Networth attributable to latest audited Balance Sheet | Profit/Loss for the year | | Description of how there is significant influence | Reason why the associate/ joint venture is not consolidated |
|----------------------|------------------------------------|-----------------------------------|--|---|---------------------|---|--------------------------------|------------------------------------|---|---|
| | | | No. | Amount of Investment in Associates/ Joint Venture | | | i. Considered in Consolidation | i. Not Considered in Consolidation | | |
| Associates | | | | | | | | | | |
| 1 | Eenadu Television Private Limited | 31-03-2016 | 60,94,190 | 47,539.24 | 24.50% | | 419.93 | - | | |
| 2 | 24 X 7 Learning Private Limited* | 31-03-2016 | 6,45,558 | - | 37.48% | | | | | |
| 3 | Aeon Learning Private Limited* | 31-03-2016 | 1,00,000 | - | 25.00% | | | | | |
| 4 | Book my show limited ,New Zealand | 31-03-2016 | 2,600 | 31.64 | 26.00% | | 12.32 | | | |
| Joint Venture | | | | | | | | | | |
| 1 | Ubona Technologies Private Limited | 31-03-2016 | 10,821 | 400.00 | 50.00% | | 72.66 | | | |

* the Company is holding the mentioned number of shares but the same has been written off and shown at Nominal value.

For and on behalf of the Board of Directors of
Network18 Media & Investments Limited

Adil Zainulbhai
Chairman
DIN : 06646490

Rohit Bansal
Director
DIN : 02067348

Hariharan Mahadevan
Group Chief Financial Officer

Yug Samrat
Company Secretary
M No. FCS6118

Place : Mumbai
Date : 20 April 2016

Notice

Notice is hereby given that the 21st Annual General Meeting of the Members of **Network18 Media & Investments Limited (“the Company”)** will be held on Thursday, September 29, 2016 at 11.30 a.m. (IST) at Yashwant Natya Mandir, Manmala Tank Road, Matunga West, Near Ruparel College, Mumbai - 400 016, to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt:
 - (a) the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 and the report of the Auditors thereon;

and in this regard, pass the following resolutions as **Ordinary Resolutions**:

- (a) **“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
 - (b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 and the report of the Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
2. To appoint a Director in place of Mr. Vinay Chand Chhajlani (DIN:00078665), who, retires by rotation and being eligible, has offered himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vinay Chand Chhajlani (DIN:00078665), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”
 3. To appoint Auditors and fix their remuneration and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139,

141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), the appointment of M/s.Walker Chandiook & Co LLP, (ICAI Firm Registration No. 001076N/N500013), Chartered Accountants, be and is hereby approved for the term of 5 (five) consecutive years to hold office from the conclusion of this Annual General Meeting till the conclusion of 26th Annual General Meeting of the Company subject to ratification at every subsequent Annual General Meeting, with such remuneration as may be decided by the Board of Directors of the Company, from time to time.”

SPECIAL BUSINESS

4. To appoint Mr. Prasoon Joshi (DIN: 01260545) as an Independent Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, Mr. Prasoon Joshi (DIN: 01260545), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) and 149 of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for 5 (five) consecutive years with effect from January 15, 2016.”

5. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2017 and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 2,50,000 (Rupees Two Lakhs Fifty Thousand only), excluding reimbursement of out of pocket expenses and applicable taxes, if any thereon, as approved by the Board of Directors to be paid to M/s Pramod Chauhan & Associates,

Cost Accountants (Firm Registration No. 000436), the Cost Auditors, to conduct audit of the cost records of the Company for the financial year ending March 31, 2017, be and is hereby ratified.”

6. To approve offer or invitation to subscribe to Redeemable Non-Convertible Debentures on private placement and in this regard, pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the Members be and is hereby accorded to authorize the Board of Directors of the Company to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to ₹ 1,000 crore (Rupees one thousand crore), in addition to and over and above the borrowing limits approved by the Members of the Company at the Annual General Meeting held on September 30, 2014, on private placement, from such persons and on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company

including but not limited to the issue price, manner of utilization of the issue proceeds and all matters connected with or incidental thereto;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

By order of the Board of Directors
For **Network18 Media & Investments Limited**

Yug Samrat
Company Secretary

Date: July 13, 2016
Place: Mumbai

Registered Office:
Empire Complex, First Floor, 414,
Senapati Bapat Marg, Lower Parel,
Mumbai, Maharashtra, 400 013.
T +91 22 4001 9000, F +91 22 6654 6925
CIN: L65910MH1996PLC280969
Website: www.network18online.com
Email id: investors.n18@network18online.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 21st ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.**

A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

A BLANK PROXY FORM IS ENCLOSED HERewith AND IF INTENDED TO BE USED, THE FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE HOLDER OF PROXY SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.

2. **The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility**

for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014. A communication containing detailed instructions including details of user id and password relating to e-voting is being sent to members separately along with a copy of this Notice.

3. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution/ other valid authorization together with the specimen signatures of the representative(s) authorized under the said Board Resolution / authorization to attend and vote on their behalf at the Meeting.
4. In terms of Section 152 of the Act, Mr. Vinay Chand Chhajlani (DIN:00078665), Director, retires by rotation at the Meeting and being eligible, offers himself for re-appointment. His brief resume, age, qualification, experience, nature of expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, number of meetings of the Board attended by him during the year and other details as required to be disclosed under the provisions of the Listing Regulations and Secretarial Standards-2 are provided in the Corporate Governance Report forming part of the Annual Report.

5. A Statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the Meeting is annexed hereto. Further, the nature of concern or interest of Directors, Manager, Key Managerial Personnel and their relatives in the proposed resolutions under Ordinary Business of the Notice, has also been disclosed under the said Statement.
6. Members/ Proxies/ Authorised Representatives are requested to bring to the meeting the necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Relevant documents referred to in the Notice shall remain open for inspection by the members at the Registered Office of the Company and copies thereof shall also be available for inspection at the Corporate Office of the Company on all working days, except Saturdays, (between 10.00 a.m. to 1.00 p.m.) up to the date of the Meeting. Copies of such document shall also be made available for inspection at the Meeting.
9. The Company has notified closure of Register of Members and Share Transfer Books from September 26, 2016 to September 29, 2016 (both days inclusive) for the purpose of the Annual General Meeting.
10. The Company's Registrar and Transfer Agent for its share registry (both, physical as well as electronic) is Karvy Computershare Private Limited ("Karvy") having its office at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 (Unit: Network18 Media & Investments Limited).
11. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company or Karvy.
12. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 24, 2015 (date of last Annual General Meeting) on the website of the Company (www.network18online.com) and also on the website of the Ministry of Corporate Affairs.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. **Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy.**
14. Members desirous of making a nomination in respect of their shareholding in the Company, in physical form, as permitted under Section 72 of the Act, are requested to write to Karvy, Company's Registrars and Transfer Agents. In respect of the shareholding in demat form, please contact the respective DP, with whom the Member is having demat account.
15. Members who hold shares in physical form in multiple folios or joint accounts in the same order of names are requested to send the share certificates to Karvy for consolidation into a single folio.
16. Non-Resident Indian members are requested to inform Karvy/ DPs, of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. **Members who have not registered / updated their e-mail addresses with Karvy, if shares are held in physical form or with their DPs, if shares are held in electronic form, are requested to register / update their e-mail address for receiving all communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.**
18. Certificate from the Statutory Auditors of the Company certifying that the Employees' Stock Option Plans of the Company have been implemented in accordance with the provisions of the applicable SEBI Guidelines and members resolution(s) shall be placed before the Meeting.
19. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
20. Attendance Slip, Proxy Form and the route map of the venue of the Meeting is annexed hereto. **The prominent landmark for the venue of the Meeting are Ruparel College and Star City Theatre. The venue is near to these landmarks.**

STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE "ACT") AND DISCLOSURE OF INTERESTS IN RESPECT OF RESOLUTIONS PROPOSED IN THE ORDINARY BUSINESS

Item Nos 1 to 3

Mr Vinay Chand Chhajlani and his relatives may be deemed to be interested in the Ordinary Resolution pertaining to his re-appointment as set out at Item No. 2 of the Notice.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is concerned or interested, financially or otherwise, in the ordinary resolutions set out under Item Nos. 1 to 3 of the Notice.

The following Statement sets out all material facts relating to the special business mentioned in the accompanying Notice.

Item No.4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, appointed Mr. Prasoon Joshi as an Additional Director (Independent) on the Board of the Company w.e.f. January 15, 2016. He holds the office as an additional director up to the date of this Annual General Meeting.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of Members of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Prasoon Joshi for the office of Director of the Company. Mr. Prasoon Joshi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Further, the Company has received a declaration from Mr. Prasoon Joshi that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In the opinion of the Board, Mr. Prasoon Joshi fulfills the conditions for his appointment as an Independent Director as specified in the Act and Listing Regulations. Mr. Prasoon Joshi is independent of the management and possesses appropriate skills, experience and knowledge.

He does not hold any shares of the Company in his name. He is not related to any other Director or Key Managerial Personnel of the Company.

Brief resume of Mr. Prasoon Joshi, his age, qualification, experience, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and number of meetings of the Board attended by him during the year and other details as required to be disclosed under the provisions of the Listing Regulations and Secretarial Standards-2, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, the Board considers that the association of Mr. Prasoon Joshi will be in the interest of the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the approval of the members is sought for appointment of Mr. Prasoon Joshi as an Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f. January 15, 2016.

Copy of the letter of appointment of Mr. Prasoon Joshi as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office/corporate office of the Company.

Save and except Mr. Prasoon Joshi and his relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No.5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Pramod Chauhan & Associates, Cost Accountants (Firm Registration No. 000436), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017 as set out in the resolution, excluding applicable taxes and out of pocket expenses, which shall be paid on actual basis.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017 by passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No.6

The members of the Company had passed a Special Resolution, on September 28, 2015 by way of postal ballot, authorising the Board of Directors of the Company to offer or invite subscription for redeemable non-convertible debentures, in one or more series/tranches, aggregating up to ₹ 1000 crore on private placement. The said resolution was valid and effective for one year from September 28, 2015. The members may note that the Board of Directors has not made any private placement pursuant to said authorization.

In order to augment long term resources, the Board of Directors may, at an appropriate time, consider offering or inviting subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches on private placement. Issuance of such debentures will be in addition to the overall borrowing limits of ₹ 1800 crores as approved by the Members of the Company at the Annual General Meeting held on September 30, 2014.

Section 71 and Section 42 of the Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with private placement of securities by a company. Rule 14 of the said Rules provides that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its members by means of a special resolution. Further, it shall be sufficient if the company passes a special resolution only once in a year for all the offers or invitations for such non-convertible debentures during the year.

Further, Section 180(1)(c) of the Act provides that the Board of Directors cannot, except with the consent of the Company by a Special Resolution, borrow moneys together with the moneys already borrowed by the Company (apart from temporary loans obtained from the company's bankers in the ordinary course of business), in excess of the aggregate of the paid-up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose.

This resolution enables the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time upto ₹ 1000 crore in addition to the borrowing limit approved by the members on September 30, 2014 under the provisions of Section 180(1)(c) of the Act.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 6 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at item No. 6 of the notice for approval by the Members.

By order of the Board of Directors
For **Network18 Media & Investments Limited**

Yug Samrat
Company Secretary

Date: July 13, 2016
Place: Mumbai

Registered Office:
Empire Complex, First Floor, 414,
Senapati Bapat Marg, Lower Parel,
Mumbai, Maharashtra, 400 013.
T +91 22 4001 9000, F +91 22 6654 6925
CIN: L65910MH1996PLC280969
Website: www.network18online.com
Email id: investors.n18@network18online.com

Route Map

Landmark

- 1) Ruparel College
- 2) Star City Theatre





NETWORK18 MEDIA & INVESTMENTS LIMITED

CIN - L65910MH1996PLC280969

Regd. Office: First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

Tel: +91 22 4001 9000, **Fax:** +91 22 6654 6925 **Email:** investors.n18@network18online.com **Website:** www.network18online.com

Corp. Office: Express Trade Tower, Plot No. 15-16, Sector 16A, Noida, Uttar Pradesh- 201 301, India **Tel:** +91 120 434 1818, **Fax:** +91 120 432 4107

ATTENDANCE SLIP

Name of the sole / first named member: _____

Address of the sole / first named member: _____

Registered Folio No.: _____

DP ID No./Client ID No.*: _____

Number of shares held: _____

I hereby record my presence at the **21st Annual General Meeting** of the Company held on **Thursday, September 29, 2016** at **Yashwant Natya Mandir**, Manmala Tank Road, Matunga West, Mumbai - 400 016 at 11.30 a.m. (IST).

Signature of Member/Proxy present: _____

Note: Members are requested to fill up the attendance slip and hand it over at the venue of the meeting.

*Applicable for investors holding shares in electronic form.



NETWORK18 MEDIA & INVESTMENTS LIMITED

CIN - L65910MH1996PLC280969

Regd. Office: First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

Tel: +91 22 4001 9000, **Fax:** +91 22 6654 6925 **Email:** investors.n18@network18online.com **Website:** www.network18online.com

Corp. Office: Express Trade Tower, Plot No. 15-16, Sector 16A, Noida, Uttar Pradesh- 201 301, India **Tel:** +91 120 434 1818, **Fax:** +91 120 432 4107

PROXY FORM

[FORM NO. MGT-11, Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of member: _____

Registered Address: _____

E-mail Id: _____

Folio No./ Client ID:* _____ DP ID:* _____

*Applicable for investors holding shares in electronic form.

I/We _____ being the member of _____ Equity Shares of the above named Company, hereby appoint :

1. Name: _____

Address: _____

E-mail Id: _____ Signature: _____ or failing him

2. Name: _____

Address: _____

E-mail Id: _____ Signature: _____ or failing him

3. Name: _____

Address: _____

E-mail Id: _____ Signature: _____

P.T.O.

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 21st Annual General Meeting of the Company to be held on Thursday, September 29, 2016 at 11:30 a.m. (IST) at Yashwant Natya Mandir, Manmala Tank Road, Matunga West, Mumbai - 400 016 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

| Item No. | Resolutions | Voting | |
|----------|---|--------|---------|
| | | For | Against |
| 1. | Consideration and adoption of : | | |
| | a) Audited Financial Statement for the Financial Year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon | | |
| | b) Audited Consolidated Financial Statement for the Financial Year ended March 31, 2016 and the Report of the Auditors thereon | | |
| 2. | Re-appointment of Mr. Vinay Chand Chhajlani, a director retiring by rotation. | | |
| 3. | Appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountant as Statutory Auditors and fixing their remuneration | | |
| 4. | Appointment of Mr. Prasoon Joshi as an Independent Director | | |
| 5. | Ratification of the remuneration of the Cost Auditor for the Financial Year ending March 31, 2017 | | |
| 6. | Approval of offer or invitation to subscribe to Redeemable Non-Convertible Debentures on Private Placement | | |

**This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this _____ day of _____ 2016

Signature of Shareholder _____

Signature of Proxy Holder(s): 1.) _____ 2.) _____ 3.) _____

Affix
₹ 1
Revenue
Stamp

Notes:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) **A Proxy need not be a member of the Company and shall prove his/her identity at the time of attending the meeting.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes. When a member appoints a Proxy and both the member and Proxy attend the Meeting, the Proxy will stand automatically revoked.
- (5) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
- (6) This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- (7) This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- (8) Undated proxy form will not be considered valid.
- (9) If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.



Network18 Media & Investments Limited

CIN - L65910MH1996PLC280969
Regd. Office: First Floor, Empire Complex,
414, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.