

# **TV18 BROADCAST LIMITED**

# INDEPENDENT AUDITOR'S REPORT

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## To the Members of TV18 Broadcast Limited

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of TV18 Broadcast Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone IND AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 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 standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on April 19, 2017.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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2. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
  - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 31 to the standalone Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per **Kalpesh Jain**  
Partner  
Membership No.: 106406

Mumbai  
April 24, 2018

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**Annexure 1 to the Independent Auditor's Report**
**Re: TV18 Broadcast Limited (the "Company")**
**Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3(iii)(a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans given and investment made have been complied with by the Company. There are no other loans given, investments made, guarantees given, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public during the year. As informed and represented by management, public deposits aggregating to Rs. 46 lakhs and interest on public deposits of Rs. 21 lakhs, accepted under the Companies (Acceptance of Deposits) Rules, 1975 have not been claimed by depositors till date. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or other relevant provisions of the Act and the rules framed there under with regard to the deposits. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any Court or any other Tribunal.
- (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, related to the Broadcasting and related services of the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, value added tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to sales-tax and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, duty of customs, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales-tax, duty of customs and value added tax which have not been deposited on account of any dispute. According to the records of the Company, details of income tax dues and service tax which have not been deposited on account of a dispute, are as under:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	44	Assessment Year 2002-03	Income tax Appellate Tribunal
		1	Assessment Year 2003-04	Income tax Appellate Tribunal
		205	Assessment Year 2010-11	Income tax Appellate Tribunal
Finance Act, 1994	Service tax	3,603	2005-06 to 2008-09	Customs, Excise and Service Tax Appellate Tribunal, Allahabad

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to Banks or financial institutions. The Company has neither issued any debentures nor availed any loan or borrowings from government.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans hence, reporting under clause (ix) of the Order is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the Company has not paid or provided any managerial remuneration during the year to the Manager appointed under the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of paragraph 3, clause (xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to information and explanation given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per **Kalpesh Jain**  
Partner  
Membership No.: 106406

Mumbai  
April 24, 2018

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**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TV18 BROADCAST LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of TV18 Broadcast Limited (the "Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Kalpesh Jain**

Partner

Membership No.: 106406

Mumbai

April 24, 2018

## Balance Sheet as at 31st March, 2018

	Notes	As at 31st March, 2018	₹ in lakh As at 31st March, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	1	8,240	8,304
Capital work-in-progress	1	4	92
Intangible assets	1	600	454
Financial Assets			
Investments	2	3,55,952	3,39,233
Loans	3	2,133	1,683
Other financial assets	4	830	1,320
Deferred tax assets (net)	5	2,409	4,821
Other non-current assets	6	18,651	16,175
<b>Total Non-current Assets</b>		<b>3,88,819</b>	<b>3,72,082</b>
<b>Current assets</b>			
Financial Assets			
Trade receivables	7	21,692	18,027
Cash and cash equivalents	8	1	593
Bank balances other than cash and cash equivalents	9	83	151
Loans	10	23,100	14,263
Other financial assets	11	2,738	2,828
Other current assets	12	3,264	6,379
<b>Total Current Assets</b>		<b>50,878</b>	<b>42,241</b>
<b>Total Assets</b>		<b>4,39,697</b>	<b>4,14,323</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	13	34,287	34,287
Other Equity	14	3,44,974	3,35,428
<b>Total Equity</b>		<b>3,79,261</b>	<b>3,69,715</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	15	-	0
Provisions	16	2,145	1,894
<b>Total Non-current Liabilities</b>		<b>2,145</b>	<b>1,894</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	17	38,551	23,666
Trade Payables	18	13,946	11,395
Other financial liabilities	19	202	203
Other current liabilities	20	5,529	7,387
Provisions	21	63	63
<b>Total Current Liabilities</b>		<b>58,291</b>	<b>42,714</b>
<b>Total Liabilities</b>		<b>60,436</b>	<b>44,608</b>
<b>Total Equity and Liabilities</b>		<b>4,39,697</b>	<b>4,14,323</b>

Significant Accounting Policies and accompanying notes (1 to 42) are part of the financial statements

As per our Report of even date

For and on behalf of the Board of Directors

**For S.R. Batliboi & Associates LLP**

**TV18 Broadcast Limited**

Chartered Accountants

ICAI Firm Reg. No.: 101049W/E300004

per **Kalpesh Jain**

**Adil Zainulbhai**

**Nirupama Rao**

**Dhruv Subodh Kaji**

Partner

Chairman

Director

Director

Membership No.: 106406

DIN 06646490

DIN 06954879

DIN 00192559

Place: Mumbai

**P.M.S. Prasad**

**Ramesh Kumar Damani**

**Deepak Gupta**

Date: 24th April, 2018

Director

Chief Financial Officer

Company Secretary

DIN 00012144



## Statement of Profit and Loss for the year ended 31st March, 2018

	Notes	2017-18	2016-17
		₹ in lakh	
<b>INCOME</b>			
Value of sales and services		83,534	66,681
Goods and Services Tax included in above		9,989	-
Revenue from operations	22	73,545	66,681
Other Income	23	2,960	3,725
<b>Total Income</b>		<b>76,505</b>	<b>70,406</b>
<b>EXPENSES</b>			
Marketing, distribution and promotional expense		9,375	9,336
Employee benefits expense	24	23,578	19,582
Finance costs	25	1,906	1,868
Depreciation and amortisation expense	1	1,863	1,783
Other expenses	26	24,914	25,580
<b>Total Expenses</b>		<b>61,636</b>	<b>58,149</b>
<b>Profit before Tax</b>		14,869	12,257
<b>Tax expense:</b>			
Current tax	27	5,232	2,111
Deferred tax	27	-	-
		<b>5,232</b>	<b>2,111</b>
<b>Profit/ (Loss) for the year</b>		<b>9,637</b>	<b>10,146</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		(91)	(193)
<b>Total Other Comprehensive Income</b>		<b>(91)</b>	<b>(193)</b>
<b>Total Comprehensive Income for the year</b>		<b>9,546</b>	<b>9,953</b>
<b>Earnings per equity share of face value of ₹ 2 each</b>			
Basic and Diluted (in ₹)	29	0.56	0.59

Significant Accounting Policies and accompanying notes (1 to 42) are part of the financial statements

As per our Report of even date

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Reg. No.: 101049W/E300004

per **Kalpesh Jain**

Partner

Membership No.: 106406

Place: Mumbai

Date: 24th April, 2018

For and on behalf of the Board of Directors

**TV18 Broadcast Limited**

**Adil Zainulbhai**

Chairman

DIN 06646490

**P.M.S. Prasad**

Director

DIN 00012144

**Nirupama Rao**

Director

DIN 06954879

**Ramesh Kumar Damani**

Chief Financial Officer

**Dhruv Subodh Kaji**

Director

DIN 00192559

**Deepak Gupta**

Company Secretary

## Statement of Change in Equity for the year ended 31st March, 2018

### A. Equity Share Capital

	₹ in lakh				
	Balance at the beginning of 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018
	34,287	-	34,287	-	34,287

### B. Other Equity

	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	Share based payment reserve	General reserve	Retained Earnings*	Equity Instruments through Other Comprehensive Income	
<b>Balance at the beginning of 1st April, 2016</b>	3,15,779	1	1,180	8,510	6	3,25,476
Total Comprehensive Income for the year	-	-	-	9,914	39	9,953
Written back to statement of Profit and Loss	-	(1)	-	-	-	(1)
<b>Balance as at the end of 31st March, 2017</b>	<b>3,15,779</b>	<b>-</b>	<b>1,180</b>	<b>18,424</b>	<b>45</b>	<b>3,35,428</b>
<b>Balance at the beginning of 1st April, 2017</b>	3,15,779	-	1,180	18,424	45	3,35,428
Total Comprehensive Income for the year	-	-	-	9,604	(58)	9,546
<b>Balance as at the end of 31st March, 2018</b>	<b>3,15,779</b>	<b>-</b>	<b>1,180</b>	<b>28,028</b>	<b>(13)</b>	<b>3,44,974</b>

\* Includes remeasurement of defined benefit plans for the year amounting to ₹ 33 lakh (Previous year ₹ 2.32 lakh)

As per our Report of even date  
**For S.R. Batliboi & Associates LLP**  
 Chartered Accountants  
 ICAI Firm Reg. No.: 101049W/E300004

per **Kalpesh Jain**  
 Partner  
 Membership No.: 106406

Place: Mumbai  
 Date: 24th April, 2018

For and on behalf of the Board of Directors  
**TV18 Broadcast Limited**

**Adil Zainulbhai**  
 Chairman  
 DIN 06646490

**P.M.S. Prasad**  
 Director  
 DIN 00012144

**Nirupama Rao**  
 Director  
 DIN 06954879

**Ramesh Kumar Damani**  
 Chief Financial Officer

**Dhruv Subodh Kaji**  
 Director  
 DIN 00192559

**Deepak Gupta**  
 Company Secretary

## Cash Flow Statement for the year ended 31st March, 2018

	2017-18	₹ in lakh 2016-17
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax as per Statement of Profit and Loss</b>	14,869	12,257
<b>Adjusted for:</b>		
(Profit)/ loss on sale/ discarding of assets (net)	(13)	(6)
Bad debts and allowance for doubtful trade receivables	(124)	(512)
Depreciation and amortisation expense	1,863	1,783
Effect of exchange rate change	(3)	10
Expense on employee stock option (ESOP) scheme	-	(1)
(Profit)/ loss on sale of investments (net)	(18)	(2)
Net gain/ loss arising on financial assets designated at fair value through profit and loss	(450)	(95)
Amortisation of Lease rent	102	103
Interest income	(1,873)	(2,345)
Finance costs	1,906	1,868
	1,390	803
<b>Operating profit before working capital changes</b>	<b>16,259</b>	<b>13,060</b>
<b>Adjusted for:</b>		
Trade and other receivables	(479)	1,330
Trade and other payables	900	(14,933)
	421	(13,603)
<b>Cash generated/ (used in) from operations</b>	<b>16,680</b>	<b>(543)</b>
Taxes paid (net)	(5,513)	(5,765)
<b>Net cash generated from/ (used in) operating activities</b>	<b>11,167</b>	<b>(6,308)</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for Property, Plant and Equipment	(1,695)	(5,088)
Proceeds from disposal of Property, Plant and Equipment	27	180
Purchase of non current investments	(16,777)	(5,425)
Purchase of current investments	(9,033)	(9,900)
Sale of current investments	9,051	9,902
Repayment of Loan from related party	10,000	32,120
Loans given to related party	(18,877)	(18,285)
Net Withdrawal of/ (Investment in) fixed deposits	68	666
Interest income	2,504	2,688
<b>Net cash (used in)/ generated from investing activities</b>	<b>(24,732)</b>	<b>6,858</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term borrowings	-	(67)
Proceeds from current borrowings (net)	14,880	1,485
Interest paid	(1,907)	(1,868)
<b>Net cash generated/ (used in) financing activities</b>	<b>12,973</b>	<b>(450)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(592)</b>	<b>100</b>
<b>Opening balance of cash and cash equivalents</b>	<b>593</b>	<b>493</b>
<b>Closing balance of cash and cash equivalents (Refer Note 8)</b>	<b>1</b>	<b>593</b>

As per our Report of even date

For S.R. Batliboi &amp; Associates LLP

Chartered Accountants

ICAI Firm Reg. No.: 101049W/E300004

per Kalpesh Jain

Partner

Membership No.: 106406

Place: Mumbai

Date: 24th April, 2018

For and on behalf of the Board of Directors

TV18 Broadcast Limited

Adil Zainulbhai

Chairman

DIN 06646490

P.M.S. Prasad

Director

DIN 00012144

Nirupama Rao

Director

DIN 06954879

Ramesh Kumar Damani

Chief Financial Officer

Dhruv Subodh Kaji

Director

DIN 00192559

Deepak Gupta

Company Secretary

## Notes to the financial statements for the year ended 31st March, 2018

### A CORPORATE INFORMATION

TV18 Broadcast Limited (“the Company”) is a listed Company incorporated in India.

The registered office of the Company is situated at First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra.

The Company is engaged in the business of news broadcasting, digital content and allied businesses.

### B SIGNIFICANT ACCOUNTING POLICIES

#### B.1 Basis Of Preparation And Presentation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, Defined benefit plans - plan assets and Equity settled share based payments which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

These financial statements are the Company’s Ind AS standalone financial statements.

The Company’s financial statements are presented in Indian Rupees (₹), which is its functional currency and all values are rounded to the nearest lakh (₹ 00,000), except when otherwise indicated.

#### B.2 Summary Of Significant Accounting Policies

##### (a) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using straight-line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are depreciated over the period of lease agreement or the useful life whichever is shorter.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

##### (b) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Computer Software and License pertaining to satellite rights are being amortised over its estimated useful life of 5 years. News Archives’ is being depreciated over a period of 21 years as the contents of the same are continuously used in day to day programming and hence the economic benefits from the same arise for a period longer than 20 years.

##### (c) Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### Leased assets:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

## Notes to the financial statements for the year ended 31st March, 2018

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

### (d) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

### (e) Impairment of non-financial assets - property, plant and equipment and intangible assets:

The Company assesses at each reporting dates as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### (f) Provisions and Contingencies

Provisions are recognised when the Company has a present obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

### (g) Employee Benefits

#### Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation.

#### Post-Employment Benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

## Notes to the financial statements for the year ended 31st March, 2018

### Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for the every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

### (h) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

#### i Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

#### ii Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax assets are reassessed at each reporting period and are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

### (i) Share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### (j) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

## Notes to the financial statements for the year ended 31st March, 2018

### (k) Revenue recognition

Revenue from operations includes sale of goods and services. Sale of services includes advertisement revenue, subscription revenue, revenue from sale of television content, facility and equipment rental, program revenue, revenue from sponsorship of events and revenue from media related professional and consultancy services.

Sale of services is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue from sale of goods, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

#### Interest income

Interest Income from a financial asset is recognised using effective interest rate method.

#### Dividend income

Dividend income is recognised when the Company's right to receive the payment has been established.

### (l) Financial instruments

#### (i) Financial Assets

##### A. Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not accounted at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

##### B. Subsequent measurement:

###### a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate amortisation is included in other income in the Statement of Profit and Loss.

###### b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

##### C. Investment in subsidiaries, associates and joint ventures

The Company accounts for its investments in subsidiaries, associates and joint venture at cost.

##### D. Equity investments:

All equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

##### E. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

## Notes to the financial statements for the year ended 31st March, 2018

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables, Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivable. Further, Company uses historical default rates to determine impairment loss on the portfolio of the trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### (ii) Financial Liabilities

#### A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

#### B. Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### (iii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## C CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### a) Depreciation and useful lives of property, plant and Equipment and intangible assets:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

#### b) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.



## Notes to the financial statements for the year ended 31st March, 2018

### c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

### d) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units ("CGU's") fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

### e) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### f) Defined benefit plans:

The employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ income include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

## D STANDARDS ISSUED BUT NOT EFFECTIVE:

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

### i. Issue of Ind AS 115 - Revenue from Contracts with Customers:

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

### ii. Amendment to Existing issued Ind AS

The MCA has also carried out amendments following accounting standards. These are:

- a Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- b Ind AS 40 - Investment Property
- c Ind AS 12 - Income Taxes
- d Ind AS 28 - Investments in Associates and Joint Ventures and
- e Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's financial statements.

## Notes to the financial statements for the year ended 31st March, 2018

Description	Gross Block				Depreciation/ Amortisation			Net Block	
	As at 1st April, 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions/ Adjustments	As at 31st March, 2018	As at 31st March, 2017
<b>1 Property, Plant and Equipment</b>									
<b>Tangible Assets:</b>									
Freehold land	31	-	-	31	-	-	-	31	31
Leasehold Improvement	3,967	150	22	4,095	3,604	103	22	410	363
Building	530	9	-	539	9	9	-	521	521
Plant and Machinery	22,745	1,043	2,335	21,453	18,051	703	2,326	5,025	4,694
Electrical installations	536	4	21	519	373	23	21	144	163
Office Equipment	5,294	374	320	5,348	3,004	754	316	1,906	2,290
Furniture and fixtures	565	13	10	568	391	26	10	161	174
Vehicles	310	-	48	262	242	25	47	42	68
<b>Total</b>	<b>33,978</b>	<b>1,593</b>	<b>2,756</b>	<b>32,815</b>	<b>25,674</b>	<b>1,643</b>	<b>2,742</b>	<b>8,240</b>	<b>8,304</b>
<b>Previous Year</b>	<b>(28,953)</b>	<b>(5,957)</b>	<b>(932)</b>	<b>(33,978)</b>	<b>(24,832)</b>	<b>(1,599)</b>	<b>(757)</b>	<b>(8,304)</b>	<b>(4,121)</b>
<b>1 Capital work-in-progress</b>									
<b>1 Intangible assets</b>									
Technical Knowhow Fees	149	61	-	210	79	40	-	91	70
Software	3,529	305	-	3,834	3,145	180	-	3,325	384
News Archives and others	205	-	-	205	205	-	-	205	-
<b>Total</b>	<b>3,883</b>	<b>366</b>	<b>-</b>	<b>4,249</b>	<b>3,429</b>	<b>220</b>	<b>-</b>	<b>3,649</b>	<b>454</b>
<b>Previous Year</b>	<b>(3,492)</b>	<b>(391)</b>	<b>-</b>	<b>(3,883)</b>	<b>(3,245)</b>	<b>(184)</b>	<b>-</b>	<b>(3,429)</b>	<b>(247)</b>
<b>Grand Total</b>	<b>37,861</b>	<b>1,959</b>	<b>2,756</b>	<b>37,064</b>	<b>29,103</b>	<b>1,863</b>	<b>2,742</b>	<b>8,844</b>	<b>8,850</b>
<b>Previous Year</b>	<b>(32,445)</b>	<b>(6,348)</b>	<b>(932)</b>	<b>(37,861)</b>	<b>(28,077)</b>	<b>(1,783)</b>	<b>(757)</b>	<b>(8,758)</b>	<b>(4,368)</b>

₹ in lakh

## Notes to the financial statements for the year ended 31st March, 2018

	As at		₹ in lakh	
	31st March, 2018	31st March, 2018	31st March, 2017	31st March, 2017
	Units	Amount	Units	Amount
<b>2 Non-current Investments</b>				
<b>Investments measured at Cost</b>				
<b>In Equity Shares of Subsidiary Companies</b>				
<b>Unquoted, fully paid up</b>				
Equity shares of ₹ 10 each fully paid up, in RVT Media Private Limited	96,615	3,466	96,615	3,466
Equity shares of USD 1 each fully paid up, in ibn18 (Mauritius) Limited, [Net-off provision for other than temporary diminution ₹ 6,589.38 lakh (Previous Year ₹ 6,589.38 lakh)]	5,62,50,000	21,617	5,62,50,000	21,617
Equity shares of ₹ 1 each fully paid up, in Equator Trading Enterprises Private Limited.	2,00,00,00,000	30,500	2,00,00,00,000	30,500
Equity shares of Viacom18 Media Private Limited of ₹ 10 each fully paid up (Refer Note 40)	5,80,02,427	98,619	-	-
Equity shares of ₹ 10 each fully paid up, in IndiaCast Media Distribution Private Limited (Refer Note 40)	2,28,000	703	-	-
<b>In Equity Shares of Joint Venture Companies</b>				
<b>Unquoted, fully paid up</b>				
Equity shares of IBN Lokmat News Private Limited of ₹ 10 each fully paid up	86,25,000	862	86,25,000	862
Equity shares of Viacom18 Media Private Limited of ₹10 each fully paid up	-	-	5,68,65,124	85,644
Equity shares of ₹ 10 each fully paid up, in IndiaCast Media Distribution Private Limited	-	-	2,28,000	703
<b>In Preference Shares of Joint Venture Companies</b>				
<b>Unquoted, fully paid up</b>				
0.10% Non Cumulative Redeemable Preference Shares of Series "I" of IBN Lokmat News Private Limited of ₹ 100 each fully paid up	2,20,000	440	2,20,000	440
0.10% Non Cumulative Redeemable Preference Shares of Series "II" of IBN Lokmat News Private Limited of ₹ 100 each fully paid up	2,49,999	500	2,49,999	500
0.01% Optionally Convertible Non Cumulative Redeemable Preference Shares of Series "II" of IBN Lokmat News Private Limited of ₹ 100 each fully paid up - ( ₹ 200)	1	0	1	0
0.10% Non Cumulative Redeemable Preference Shares of Series "III" of IBN Lokmat News Private Limited of ₹ 100 each fully paid up	20,35,250	4,070	20,35,250	4,070
0.001% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Viacom18 Media Private Limited of ₹ 10 each fully paid up	-	-	4,078	12

## Notes to the financial statements for the year ended 31st March, 2018

	As at		₹ in lakh	
	31st March, 2018		As at 31st March, 2017	
	Units	Amount	Units	Amount
<b>In Debentures of Subsidiary Companies</b>				
<b>Unquoted, fully paid up</b>				
Zero Coupon Compulsory and Fully convertible debentures of ₹ 100 each fully paid up in Equator Trading Enterprises Private Limited	13,22,00,000	1,81,300	13,22,00,000	1,81,300
Zero coupon optionally fully convertible redeemable debentures of ₹ 1,000 each fully paid up in RVT Media Private Limited	3,15,400	3,154	3,15,400	3,154
Zero coupon compulsory convertible debentures of ₹ 1,000 each fully paid up in RVT Media Private Limited	40,576	406	40,576	406
Zero coupon optionally fully convertible debentures of ₹ 1,000 each fully paid up in RVT Media Private Limited	3,58,596	3,586	1,03,500	1,035
Zero coupon Compulsory and fully convertible debentures of ₹ 100 each fully paid up in Equator Trading Enterprises Private Limited	43,90,000	4,390	43,90,000	4,390
Zero coupon compulsorily convertible debentures of ₹ 10 each fully paid up in IndiaCast Media Distribution Private Limited (Refer Note 40)	1,00,00,000	1,000	-	-
<b>In Debentures of Joint Venture Companies</b>				
<b>Unquoted, fully paid up</b>				
Zero coupon compulsorily convertible debentures of ₹ 10 each fully paid up in IndiaCast Media Distribution Private Limited	-	-	1,00,00,000	1,000
<b>Investments Classified at Fair Value through Other Comprehensive Income (FVTOCI)</b>				
<b>In Equity Shares- Quoted fully paid up</b>				
Equity shares of Refex Industries Limited (formerly Refex Refrigerants Limited) of ₹ 10 each fully paid up - (₹ 1/-)	2,75,000	42	2,75,000	53
Equity shares of KSL and Industries Limited of ₹ 4 each fully paid up	4,74,308	34	4,74,308	81
Equity shares of SMC Global Securities Limited of ₹ 10 each fully paid up	1,09,994	263	-	-
<b>In Equity Shares- Unquoted fully paid up</b>				
Equity shares of Delhi Stock Exchange Association Limited of ₹ 10 each fully paid up - (₹ 1/- after split)	8,98,500	0	8,98,500	0
<b>In Convertible warrants partly paid up</b>				
Convertible warrants of Infibeam Incorporation Limited per warrant of ₹ 186.48 on which ₹ 46.62 paid per warrant	21,45,002	1,000	-	-
<b>Total Non Current Investments</b>		<b>3,55,952</b>		<b>3,39,233</b>

## Notes to the financial statements for the year ended 31st March, 2018

	As at 31st March, 2018		₹ in lakh As at 31st March, 2017	
	Units	Amount	Units	Amount
<b>2.1 Category-wise Non-current Investment</b>				
Financial assets measured at Cost		3,54,613		3,39,099
Financial assets measured at Fair Value through other comprehensive income.		1,339		134
<b>Total Non-current Investments</b>		<b>3,55,952</b>		<b>3,39,233</b>
Aggregate amount of quoted investments		339		134
Aggregate market value of quoted investments		339		134
Aggregate amount of unquoted investments		3,55,613		3,39,099
Aggregate amount of impairment in value of unquoted investments		6,589		6,589
<b>2.2</b> The list of investments in subsidiaries, joint ventures and associates along with proportion of ownership interest held and country of incorporation are disclosed under Corporate Information of the Consolidated Financial Statements.				
				₹ in lakh
<b>3 Loans - Non-current</b>		As at		As at
		31st March, 2018		31st March, 2017
<b>Loans to Others</b>				
Loans and advances to employees (Current Year ₹ 47,105)		0		-
Other Loans (Refer Note 35)		2,133		1,683
<b>Total</b>		<b>2,133</b>		<b>1,683</b>
The above loan has been given for business purpose/ corporate general purpose				
				₹ in lakh
<b>4 Other financial assets - Non-current</b>		As at		As at
		31st March, 2018		31st March, 2017
<b>Security deposits</b>				
Unsecured, considered good		830		1,320
Doubtful		-		19
Less: Allowance for doubtful deposits		-		(19)
		<b>830</b>		<b>1,320</b>
				₹ in lakh
		As at		As at
<b>5 Deferred tax assets (net)</b>		31st March, 2018		31st March, 2017
Deferred Tax Assets (MAT Credit Entitlement)		2,409		4,821
<b>Total</b>		<b>2,409</b>		<b>4,821</b>

## Notes to the financial statements for the year ended 31st March, 2018

5.1 The Company has not recognised the deferred tax assets (net) amounting to ₹ 5,156 lakh (Previous year ₹ 4,587 lakh) arising out of tangible and intangible assets, financials assets, unabsorbed depreciation, brought forward tax losses and other items due to non-existence of probability of taxable income against which the assets can be realised. The same shall be reassessed at subsequent balance sheet date.

5.2 The movement on the deferred tax account is as follows:

	As at 31st March, 2018	₹ in lakh As at 31st March, 2017
At the beginning of the year	4,821	4,322
(Charge)/ credit to the Statement of Profit and Loss related to MAT Credit Entitlement	(2,412)	499
At the end of the year	<u>2,409</u>	<u>4,821</u>

	As at 31st March, 2018	₹ in lakh As at 31st March, 2017
<b>6 Other non-current assets</b>		
(Unsecured and considered good)		
Capital Advances	366	537
Advance Income Tax (Net of provision)	18,111	15,418
Others	174	220
<b>Total</b>	<u>18,651</u>	<u>16,175</u>

	As at 31st March, 2018	₹ in lakh As at 31st March, 2017
<b>7 Trade receivables</b>		
<b>Trade Receivables</b>		
Unsecured and considered good	21,692	18,027
Unsecured and considered doubtful	4,079	4,229
	<u>25,771</u>	<u>22,256</u>
Less:- Allowance for doubtful receivables	4,079	4,229
<b>Total</b>	<u>21,692</u>	<u>18,027</u>

Refer Note 30 for Trade receivables from related parties

7.1 Movement in the allowance for doubtful receivables:

At the beginning of the year	4,229	4,245
Movement during the year	(150)	(16)
At the end of the year	<u>4,079</u>	<u>4,229</u>

## Notes to the financial statements for the year ended 31st March, 2018

8 Cash and cash equivalents	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Cheques on hand	-	8
<b>Balances with bank</b>		
In current accounts	1	585
<b>Total</b>	<b>1</b>	<b>593</b>

9 Bank balances other than cash and cash equivalents	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
In earmarked accounts- Unpaid matured deposits	67	69
In other deposit accounts *	16	82
<b>Total</b>	<b>83</b>	<b>151</b>

**Note:**

\* Deposits of ₹16 lakh (Previous Year ₹ 82 lakh) are given as lien against bank guarantees to Custom Authorities to meet export obligations, sales tax authorities and are expected to be realised within 12 months.

10 Loans - current (Unsecured and considered good)	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Loans and advances to related parties	23,100	14,225
Loans and advances to others (₹ 6,750)	0	38
<b>Total</b>	<b>23,100</b>	<b>14,263</b>

**10.1 Loans given to related parties:**

Name of the Company	₹ in lakh	
	31st March, 2018	31st March, 2017
<b>a</b> Network18 Media & Investments Limited	-	5,500
<b>b</b> Panorama Television Private Limited	23,100	8,725
<b>Total</b>	<b>23,100</b>	<b>14,225</b>

(i) The above loans has been given for business purpose/ corporate general purpose.

(ii) Loans shown above, fall under the category of 'Loans-Current' in nature of Loans and are re-payable within 1 year.

11 Other financial assets - current	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Interest accrued on Deposits/ Investments	1,249	1,981
Security deposits	1,488	847
Others	1	-
<b>Total</b>	<b>2,738.00</b>	<b>2,828.00</b>

## Notes to the financial statements for the year ended 31st March, 2018

12 Other current assets (Unsecured)	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Advances to vendor		
Considered good	51	711
Advances to related parties		
Considered good	13	11
Considered doubtful	868	868
Less: Allowance for doubtful advances	(868)	(868)
	<u>13</u>	<u>11</u>
Prepaid expenses	1,355	1,209
Balance with Government tax authorities	1,813	4,418
Others *		
Considered good	32	30
Considered Doubtful	-	110
Less: Allowance for doubtful advances to others	-	(110)
	<u>32</u>	<u>30</u>
<b>Total</b>	<b><u>3,264</u></b>	<b><u>6,379</u></b>

\* Other includes advance to employees

13 Equity Share Capital	As at 31st March, 2018		As at 31st March, 2017	
	Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
<b>(a) Authorised Share Capital:</b>				
Equity shares of Rs. 2 each	5,00,00,00,000	1,00,000	5,00,00,00,000	1,00,000
<b>(b) Issued, Subscribed and fully paid up</b>				
<b>Equity Shares of Rs. 2 each</b>				
(i) Issued	1,71,44,09,196	34,288	1,71,44,09,196	34,288
(ii) Subscribed and fully paid up	1,71,43,60,160	34,287	1,71,43,60,160	34,287
(iii) Shares forfeited (₹ 24,518 Previous year ₹ 24,518)	49,036	0	49,036	0
<b>TOTAL</b>	<b><u>1,71,44,09,196</u></b>	<b><u>34,287</u></b>	<b><u>1,71,44,09,196</u></b>	<b><u>34,287</u></b>

**13.1** The Company has only one class of equity share having par value of Rs. 2 per share. Each holder of equity share is entitled to one vote per share held. All the 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 liabilities, in proportion to their shareholding.

### 13.2 Details of shares held by each shareholder holding more than 5% shares :

Particulars	31st March, 2018		31st March, 2017	
	Number of Shares	% Holding	Number of Shares	% Holding
1 Network18 Media & Investments Limited, Holding Company	87,70,35,062	51.16%	87,70,35,062	51.16%



## Notes to the financial statements for the year ended 31st March, 2018

### 13.3 Details of shares held by holding company and their subsidiaries:

Particulars	31st March, 2018		31st March, 2017	
	Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
1 Network18 Media & Investments Limited, Holding Company	87,70,35,062	17,541	87,70,35,062	17,541
2 RRB Investments Private Limited, a subsidiary of the Holding Company	1,63,563	3	1,63,563	3
	<b>87,71,98,625</b>	<b>17,544</b>	<b>87,71,98,625</b>	<b>17,544</b>

13.4 There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

### 13.5 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	31st March, 2018		31st March, 2018	
	Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
Equity Shares opening balance	1,71,44,09,196	34,288	1,71,43,60,160	34,287
	(1,71,44,09,196)	(34,288)	(1,71,43,60,160)	(34,287)
Add : Shares issued during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Equity Shares closing balance	<b>1,71,44,09,196</b>	<b>34,288</b>	<b>1,71,43,60,160</b>	<b>34,287</b>
	(1,71,44,09,196)	(34,288)	(1,71,43,60,160)	(34,287)

Figures in brackets pertains to the Previous Year

### 13.6 Details of forfeited shares and amount originally paid - up

Particulars	31st March, 2018		31st March, 2017	
	Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
Equity Shares				
₹ 24,518 (Previous Year ₹ 24,518)	49,036	0	49,036	0

## Notes to the financial statements for the year ended 31st March, 2018

		₹ in lakh	
		As at	As at
		31st March, 2018	31st March, 2017
<b>14</b>	<b>Other Equity</b>		
<b>i</b>	<b>Securities premium account</b>		
	As per last Balance Sheet	3,15,779	3,15,779
		<u>3,15,779</u>	<u>3,15,779</u>
<b>ii</b>	<b>Share based Payment reserve</b>		
	As per last Balance Sheet	-	1
	Add: written back to the statement of Profit and Loss	-	(1)
		<u>-</u>	<u>-</u>
<b>iii</b>	<b>General reserve</b>		
	As per last Balance Sheet	1,180	1,180
		<u>1,180</u>	<u>1,180</u>
<b>iv</b>	<b>Retained Earnings</b>		
	As per last Balance Sheet	18,424	8,510
	Add: Profit for the year	9,637	10,146
	Add: Remeasurement of defined benefit plans	(33)	(232)
		<u>28,028</u>	<u>18,424</u>
<b>v</b>	<b>Other Comprehensive Income (OCI)</b>		
	As per last Balance Sheet	45	6
	Add: Movement in OCI (net) during the year	(58)	39
		<u>(13)</u>	<u>45</u>
	<b>Total of Other Equity</b>	<u><u>3,44,974</u></u>	<u><u>3,35,428</u></u>
<b>15</b>	<b>Borrowings - Non-current</b>		₹ in lakh
		As at	As at
		31st March, 2018	31st March, 2017
	<b>Secured</b>		
	Term loans from banks (Previous Year ₹ 37,347)	-	0
	<b>Total</b>	<u>-</u>	<u>0</u>
<b>16</b>	<b>Provisions - Non-current</b>		₹ in lakh
		As at	As at
		31st March, 2018	31st March, 2017
	<b>Provision for employee benefits</b>		
	Provision for compensated absences	621	543
	Provision for gratuity (Refer Note 24.1)	1,524	1,351
	<b>Total</b>	<u><u>2,145</u></u>	<u><u>1,894</u></u>

## Notes to the financial statements for the year ended 31st March, 2018

17 Borrowings - Current	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Overdraft/ Cash Credit/ Working Capital Demand Loans (“WCDL”) from banks (Secured)	6,773	1,166
<b>Commercial paper (Unsecured)</b>		
From Banks	-	5,000
Others	31,778	17,500
<b>Total</b>	<b>38,551</b>	<b>23,666</b>

### 17.1 Security and repayment details for overdraft, cash credit facilities including working capital demand loans is as follows:

i) Overdraft/ Cash Credit/ WCDL is repayable on demand and Secured against first pari passu hypothecation charge on all existing and future current assets of the Company.	6,592	1,025
ii) Overdraft/ Cash Credit/ WCDL is repayable on demand and is secured against second pari passu charge on all existing and future moveable assets and current assets of the Company.	181	141
<b>Total</b>	<b>6,773</b>	<b>1,166</b>

17.2 The above bank loans carry an interest rate referenced to the respective bank’s marginal cost of lending rate (“MCLR”) and mutually agreed spread.

17.3 All commercial papers are repayable within a year.

18 Trade payables	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Micro, Small and Medium Enterprises	46	4
Others	13,900	11,391
<b>Total</b>	<b>13,946</b>	<b>11,395</b>

Based on the information available with the Company, the balance due to Micro & Small Enterprises as defined under the Micro, Small and Medium enterprises Development (MSMED) Act, 2006 is ₹ 46 lakh (Previous year ₹ 4 lakh) under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information provided by the parties.

### 18.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

Particulars	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Principal amount due and remaining unpaid	46	4
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	3
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

## Notes to the financial statements for the year ended 31st March, 2018

19 Other financial liabilities - current	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
<b>Current maturities of long term debt</b>		
From Banks ( Vehicle Loan) ( ₹ 37,347)	0	2
From Others	-	1
Interest accrued but not due on borrowings	-	1
Unclaimed matured deposits and interest accrued thereon *	67	69
Creditors for Capital Expenditure	135	130
<b>Total</b>	<b>202</b>	<b>203</b>

\* These figures do not include any amounts due and outstanding to be credited to the Investor Education and Protection Fund.

20 Other Current Liabilities	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
Unearned revenue	1,640	1,571
<b>Other payables</b>		
Statutory dues	1,270	777
Advances from customers *	1,141	1,243
Others	1,478	3,796
<b>Total</b>	<b>5,529</b>	<b>7,387</b>

\* Refer Note 30 for advances from related parties

21 Provisions - current	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
<b>Provision for employee benefits</b>		
Provision for compensated absences	17	17
Provision for gratuity (Refer Note 24.1)	46	46
<b>Total</b>	<b>63</b>	<b>63</b>

22 Revenue from Operations	₹ in lakh	
	2017-18	2016-17
Advertisement and subscription revenue	71,576	64,891
Sale of content	253	264
Other media income and equipment rentals	1,716	1,526
<b>Total</b>	<b>73,545</b>	<b>66,681</b>

## Notes to the financial statements for the year ended 31st March, 2018

23 Other Income	₹ in lakh	
	2017-18	2016-17
Interest income		
Loans and advances	1,767	2,208
Deposit accounts with banks	5	45
Income tax refund	551	473
Others	101	92
	<u>2,424</u>	<u>2,818</u>
Net gain/ loss arising on sale of investments	18	2
Write back of earlier years' expense provisions	-	809
Net gain/ loss arising on financial assets designated at fair value through profit and loss	450	95
Miscellaneous income	68	1
<b>Total</b>	<b><u>2,960</u></b>	<b><u>3,725</u></b>

24 Employee Benefits Expense	₹ in lakh	
	2017-18	2016-17
Salaries and wages	20,970	17,191
Contribution to provident and other funds	1,083	944
Gratuity expense (Refer Note 24.1)	353	301
Staff welfare expenses	1,172	1,146
<b>Total</b>	<b><u>23,578</u></b>	<b><u>19,582</u></b>

### 24.1 Defined contribution plans

The Company makes Provident Fund and Employee State Insurance scheme contributions to the relevant authorities, which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	₹ in lakh	
	For the year 2017-18	For the year 2016-17
Employer's Contribution to Provident Fund	735	695
Employer's Contribution to Pension Fund	267	168
Employer's Contribution to Employees State Insurance	9	4

### Defined benefit plans

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The Company makes contributions to the trust which in turn makes contributions to the employees group gratuity cum life assurance scheme of the Life Insurance Corporation of India. The present value of obligation 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 for compensated absences is recognised in the same manner as gratuity.

## Notes to the financial statements for the year ended 31st March, 2018

### i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	₹ in lakh	
	Gratuity	
	2017-18	2016-17
Defined Benefit obligation at beginning of the year	1,561	1210
Current Service Cost	247	221
Interest Cost	119	92
Actuarial (gain)/ loss	33	231
Benefits paid	(213)	(193)
<b>Defined Benefit obligation at year end</b>	<b>1,747</b>	<b>1561</b>

### ii) Reconciliation of opening and closing balances of fair value of Plan Assets:

Particulars	₹ in lakh	
	Gratuity	
	2017-18	2016-17
Fair value of plan assets at beginning of the year	163	152
Expected return on plan assets	12	12
Fair value of plan assets at year end	175	164
Actual return on plan assets	12	12

### iii) Reconciliation of fair value Assets and Obligations :

Particulars	₹ in lakh	
	Gratuity	
	As at 31st March, 2018	As at 31st March, 2017
Fair value of assets	175	163
Present value of obligation	(1,746)	(1,560)
<b>Net assets/ (liabilities) recognised in balance sheet</b>	<b>(1,571)</b>	<b>(1,397)</b>

### iv) Expenses recognised during the year:

Particulars	₹ in lakh	
	Gratuity	
	2017-18	2016-17
Current Service Cost	247	221
Interest Cost	119	92
Expected return on Plan assets	(12)	(12)
Actuarial (gain) / loss	-	-
<b>Net Cost</b>	<b>354</b>	<b>301</b>
<b>In Other Comprehensive Income (OCI)</b>		
Actuarial gain / (loss) for the year on defined benefit obligation	33	231
Actuarial gain / (loss) for the year on plan assets	-	-
<b>Net expense/ income for the period recognised in OCI</b>	<b>33</b>	<b>231</b>

## Notes to the financial statements for the year ended 31st March, 2018

### v) Investment Details:

Particulars	As at 31st	As at 31st
	March, 2018	March, 2017
	% invested	% invested
Funds managed by Insurer	100	100

### vi) Actuarial assumptions:

Particulars	Gratuity	
	IALM (06-08)	IALM (06-08)
Mortality Table		
Discount rate (per annum)	7.70%	7.60%
Expected rate of return on plan assets (per annum)	9.00%	9.00%
Rate of escalation in salary (per annum)	5.50%	5.50%
IALM - Indian Assured Lives Mortality.		

The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated terms of the obligations.

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 Company's policy for plan assets management.

vii) The expected contributions for Defined Benefit Plan for the next financial year will be in line with financial year 2017 -18.

### viii) Sensitivity Analysis

Significant Actuarial assumptions for the determination of the defined benefit obligation discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonable possible change of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity Analysis is given below:

Particulars	₹ in lakh	
	2017-18	2016-17
<b>a) Impact of the change in discount rate</b>		
Present value of obligation at the end of the period	1746	1560
i) Impact due to increase of 0.50%	(113)	(105)
ii) Impact due to decrease of 0.50%	124	115
<b>b) Impact of the change in salary increase</b>		
Present value of obligation at the end of the period	1746	1560
i) Impact due to increase of 0.50%	108	117
ii) Impact due to decrease of 0.50%	(103)	(108)

## Notes to the financial statements for the year ended 31st March, 2018

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

- (A) **Investment risk** – The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds; if the return on plan asset is below this rate, it will create a plan deficit.
- (B) **Interest risk** - A decrease in the discount rate will increase the plan liability.
- (C) **Longevity risk** – The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- (D) **Salary risk** – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

	₹ in lakh	
25 Finance Costs	2017-18	2016-17
Interest cost	1,905	1,837
Other borrowing costs	1	31
<b>Total</b>	<b>1,906</b>	<b>1,868</b>

	₹ in lakh	
26 Other Expenses	2017-18	2016-17
Telecast and uplinking fees	1,516	1,592
Airtime purchased	3,190	1,121
Royalty expenses	3,292	2,790
Content expenses	3,282	3,726
Other production expenses	2,153	4,073
Repairs to building	27	51
Repairs to machinery	916	892
Other repairs	132	277
Electricity expenses	1,012	1,091
Insurance	169	130
Travelling and conveyance expenses	2,854	3,593
Professional and Legal fees ( Refer note 26.1)	559	511
Directors sitting fees	57	48
Rent	2,559	2,522
Rates and taxes	44	69
(Profit)/ Loss on sale/ discarding of assets (net)	(13)	(6)
Net foreign exchange loss/ (gain)	(17)	22
Corporate Social Responsibility expenses	175	135
Bad debts and allowance for doubtful trade receivables	(124)	297
Other establishment expenses	3,131	2,646
<b>Total</b>	<b>24,914</b>	<b>25,580</b>



## Notes to the financial statements for the year ended 31st March, 2018

### 26.1 Payment to Auditors :

Particulars	₹ in lakh	
	2017-18	2016-17
(a) Statutory Audit Fees	45	45
(b) Limited Review fees	39	39
(c) Certification and Consultation Fees	2	1
<b>Total</b>	<b>86</b>	<b>85</b>

### 27 Taxation

	₹ in lakh	
	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>a) Income tax recognised in Statement of Profit and Loss</b>		
Current tax	4,177	2,609
Minimum alternate tax entitlement	-	(499)
Short/ excess provision of earlier years	1,055	1
<b>Total income tax expenses recognised in the current year</b>	<b>5,232</b>	<b>2,111</b>

The income tax expenses for the year can be reconciled to the accounting profit as follows:

	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax	14,869	12,257
Applicable Tax Rate	34.608%	34.608%
Computed Tax Expense	5,146	4,242
<b>Tax effect of:</b>		
Expenses disallowed/ (allowed) (net)	(969)	59
Effect of deferred tax on unused tax losses and tax offset	-	(2,191)
Adjustment recognised in current tax in relation to prior period	1,055	1
<b>Tax expenses recognised in Statement of Profit and Loss</b>	<b>5,232</b>	<b>2,111</b>
Effective Tax Rate	35.19%	17.22%

The tax rate used for the reconciliations above is the corporate tax rate payable by corporate entities in India on taxable profit under the Income tax law.

### b) Advance tax (net of provision)

	₹ in lakh	
	As at 31st March, 2018	As at 31st March, 2017
At start of year	15,418	12,263
Charge for the year	(5,232)	(2,111)
Adjusted with Minimum alternate tax entitlement	2,412	(499)
Tax paid	5,513	5,765
<b>At end of the year</b>	<b>18,111</b>	<b>15,418</b>

## Notes to the financial statements for the year ended 31st March, 2018

### 28 Corporate Social Responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto by the Company during the year is ₹ 173 lakh (Previous Year ₹ 132 lakh)
- (b) Expenditure related to Corporate Social Responsibility is ₹ 175 lakh (Previous Year ₹ 135 lakh).

Details of amount spent in cash/ cheque/ transfer towards CSR as follows:

Particulars	₹ in lakh	
	2017-18	2016-17
Sports for Development	175	135
<b>Total</b>	<b>175</b>	<b>135</b>

- (c) Out of note (b) above, ₹ 175 lakh (Previous Year ₹ 135 lakh) is spent through Reliance Foundation.

### 29 EARNINGS PER SHARE (EPS)

	2017-18	2016-17
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakh)	9,637	10,146
ii) Weighted average number of equity shares used as denominator for calculating basic EPS	1,71,44,09,196	1,71,44,09,196
iii) Total weighted average potential equity shares	-	-
iv) Weighted average number of equity shares used as denominator for calculating diluted EPS	1,71,44,09,196	1,71,44,09,196
v) Basic Earnings per Share (₹)	<b>0.56</b>	<b>0.59</b>
vi) Diluted Earnings per Share (₹)	<b>0.56</b>	<b>0.59</b>
vii) Face Value per Equity Share (₹)	2	2

## Notes to the financial statements for the year ended 31st March, 2018

### 30 Related party disclosures

As per Ind AS 24, 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 the Related Party	Relationship
1	Independent Media Trust	Enterprises exercising Control <sup>s</sup>
2	Adventure Marketing Private Limited*	
3	Watermark Infratech Private Limited *	
4	Colorful Media Private Limited*	
5	RB Media Holdings Private Limited*	
6	RB Mediasoft Private Limited*	
7	RRB Mediasoft Private Limited*	
8	RB Holdings Private Limited*	
9	Teesta Retail Private Limited	
10	Network18 Media & Investments Limited	
11	Reliance Industries Limited	Beneficiary/ Protector of Independent Media Trust <sup>s</sup>
12	Reliance Industrial Investments and Holdings Limited	
13	IBN Lokmat News Private Limited	Joint Ventures
14	Viacom18 Media Private Limited @	
15	IndiaCast Media Distribution Private Limited @	
16	IndiaCast UK Limited @	
17	IndiaCast US Limited @	
18	Viacom18 US Inc @	
19	Viacom18 Media UK Limited @	
20	Roptonal Limited @	
21	Ubona Technologies Private Limited	Joint Venture of Fellow Subsidiary Company
22	Eenadu Television Private Limited	Associate
23	24X7 Learning Private Limited	Associates of Fellow Subsidiary Companies
24	Aeon Learnings Private Limited	
25	Book My Show Limited (up to 12th September, 2016)	Associates of Holding Company
26	Big Tree Entertainment Private Limited (w.e.f 13th September, 2016)	
27	NW18 HSN Holdings PLC (w.e.f. 15th February, 2018)	
28	TV18 Home Shopping Network Limited (w.e.f 15th February, 2018)	

## Notes to the financial statements for the year ended 31st March, 2018

Sr. No.	Name of the Related Party	Relationship
29	ibn18 (Mauritius) Limited	Subsidiary
30	Equator Trading Enterprises Private Limited	
31	Panorama Television Private Limited	
32	RVT Media Private Limited	
33	AETN18 Media Private Limited	
34	Viacom18 Media Private Limited @	
35	Viacom18 US Inc @	
36	Viacom18 Media UK Limited @	
37	Roptonal Limited @	
38	IndiaCast Media Distribution Private Limited @	
39	IndiaCast UK Limited @	
40	IndiaCast US Limited @	
41	Reliance Retail Limited #	Fellow Subsidiaries
42	Reliance Corporate IT Park Limited #	
43	Reliance Jio Infocomm Limited #	
44	Digital18 Media Limited	
45	E-18 Limited	
46	e-Eighteen.com Limited	
47	Network18 Holdings Ltd.	
48	NW18 HSN Holdings PLC (up to 14th February, 2018)	
49	Setpro18 Distribution Limited	
50	TV18 Home Shopping Network Limited (up to 14th February 2018)	
51	Greycells18 Media Limited	
52	Big Tree Entertainment Private Limited (up to 12th September, 2016)	

\* Controlled by Independent Media Trust of which Reliance Industries Limited is the sole beneficiary

# Subsidiary of Reliance Industries Limited, the sole beneficiary of Independent Media Trust

\$ Entities exercising Control

@ Accounted as Joint Venture till 28th February, 2018 and as subsidiary w.e.f. 1st March, 2018.

## Notes to the financial statements for the year ended 31st March, 2018

### b. Details of transactions and balances with related parties:

Transactions	₹ in lakh				
	Beneficiary/ Protector of Independent Media Trust	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Ventures & Associate
<b>(i) Transactions during the year</b>					
<b>(a) Income from operations and other Income</b>					
Reliance Industries Limited.	4	-	-	-	-
	(-)	-	-	-	-
Network18 Media & Investments Limited	-	12	-	-	-
	-	(78)	-	-	-
AETN18 Media Private Limited	-	-	249	-	-
	-	-	(158)	-	-
Digital18 Media Limited	-	-	-	37	-
	-	-	-	(65)	-
Greycells18 Media Limited	-	-	-	84	-
	-	-	-	(81)	-
IBN Lokmat News Private Limited	-	-	-	-	96
	-	-	-	-	(83)
TV18 Home Shopping Network Limited	-	-	-	70	14
	-	-	-	(86)	(-)
Viacom 18 Media Private Limited	-	-	116	-	1,173
	-	-	(-)	-	(1,160)
IndiaCast Media Distribution Private Limited	-	-	32	-	299
	-	-	(-)	-	(278)
IndiaCast UK Limited	-	-	73	-	379
	-	-	(-)	-	(408)
IndiaCast US Limited	-	-	1	-	23
	-	-	(-)	-	(47)
Panorama Television Private Limited	-	-	23	-	-
	-	-	(1)	-	-
e-Eighteen.com Limited	-	-	-	2	-
	-	-	-	(-)	-
<b>Total</b>	<b>4</b>	<b>12</b>	<b>494</b>	<b>193</b>	<b>1,984</b>
	-	(78)	(159)	(232)	(1,976)

## Notes to the financial statements for the year ended 31st March, 2018

Transactions	Beneficiary/ Protector of Independent Media Trust	Enterprises Exercising control	Subsidiary	₹ in lakh	
				Fellow Subsidiary	Joint Ventures & Associate
<b>(b) Interest Received</b>					
Network18 Media & Investments Limited	-	517	-	-	-
	-	(1,534)	-	-	-
Panorama Television Private Limited	-	-	1,248	-	-
	-	-	(665)	-	-
<b>Total</b>	-	<b>517</b>	<b>1,248</b>	-	-
	-	<b>(1,534)</b>	<b>(665)</b>	-	-
<b>(c) Expenditure for Services received</b>					
Reliance Corporate IT Park Limited	-	-	-	61	-
	-	-	-	(-)	-
Reliance Jio Infocomm Limited	-	-	-	7	-
	-	-	-	(-)	-
Reliance Retail Limited	-	-	-	12	-
	-	-	-	(-)	-
Network18 Media & Investments Limited	-	328	-	-	-
	-	(219)	-	-	-
Digital18 Media Limited	-	-	-	310	-
	-	-	-	(262)	-
e-Eighteen.com Limited	-	-	-	424	-
	-	-	-	(206)	-
Viacom 18 Media Private Limited	-	-	-	-	-
	-	-	-	-	(29)
AETN18 Media Private Limited	-	-	0	-	-
	-	-	(97)	-	-
Panorama Television Private Limited	-	-	454	-	-
	-	-	(35)	-	-
IBN Lokmat News Private Limited	-	-	-	-	86
	-	-	-	-	(43)
IndiaCast Media Distribution Private Limited	-	-	144	-	28
	-	-	(-)	-	(88)
IndiaCast UK Limited	-	-	13	-	-
	-	-	(-)	-	-
Bigtree Entertainment Private Limited	-	-	-	2	-
	-	-	-	(-)	-
<b>Total</b>	-	<b>328</b>	<b>611</b>	<b>816</b>	<b>114</b>
	-	<b>(219)</b>	<b>(132)</b>	<b>(468)</b>	<b>(160)</b>

## Notes to the financial statements for the year ended 31st March, 2018

Transactions	₹ in lakh				
	Beneficiary/ Protector of Independent Media Trust	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Ventures & Associate
<b>(d) Reimbursement of expenses received</b>					
Network18 Media & Investments Limited	-	222	-	-	-
	-	(600)	-	-	-
AETN18 Media Private Limited	-	-	996	-	-
	-	-	(916)	-	-
Bigtree Entertainment Private Limited	-	-	-	4	-
	-	-	-	(13)	-
Digital18 Media Limited	-	-	-	70	-
	-	-	-	(68)	-
e-Eighteen.com Limited	-	-	-	801	-
	-	-	-	(767)	-
Greycells18 Media Limited	-	-	-	44	-
	-	-	-	(39)	-
IBN Lokmat News Private Limited	-	-	-	-	456
	-	-	-	-	(505)
TV18 Home Shopping Network Limited	-	-	-	205	28
	-	-	-	(393)	(-)
Viacom 18 Media Private Limited	-	-	524	-	4,569
	-	-	(-)	-	(5,363)
IndiaCast Media Distribution Private Limited	-	-	2	-	22
	-	-	(-)	-	(56)
Panorama Television Private Limited	-	-	554	-	-
	-	-	(674)	-	-
<b>Total</b>	-	<b>222</b>	<b>2,076</b>	<b>1,124</b>	<b>5,075</b>
	-	<b>(600)</b>	<b>(1,590)</b>	<b>(1,280)</b>	<b>(5,924)</b>
<b>(e) Reimbursement of expenses paid</b>					
Reliance Retail Limited.	-	-	-	-	-
	-	-	-	(2)	-
Network18 Media & Investments Limited	-	0	-	-	-
	-	(82)	-	-	-
Viacom 18 Media Private Limited	-	-	7,445	-	65,271
	-	-	(-)	-	(64,240)
AETN18 Media Private Limited	-	-	4,227	-	-
	-	-	(3,485)	-	-
IndiaCast Media Distribution Private Limited	-	-	3,651	-	9,014
	-	-	(-)	-	(13,103)
Panorama Television Private Limited	-	-	3,075	-	-
	-	-	(2,789)	-	-
IBN Lokmat News Private.Limited.	-	-	-	-	10
	-	-	-	-	(-)
<b>Total</b>	-	-	<b>18,398</b>	-	<b>74,295</b>
	-	<b>(82)</b>	<b>(6,274)</b>	<b>(2)</b>	<b>(77,343)</b>

## Notes to the financial statements for the year ended 31st March, 2018

Transactions	₹ in lakh				
	Beneficiary/ Protector of Independent Media Trust	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Ventures & Associate
<b>(f) Assets Purchased</b>					
Reliance Retail Limited	-	-	-	6	-
	-	-	-	(-)	-
TV18 Home Shopping Network Limited	-	-	-	36	-
	-	-	-	(33)	-
<b>Total</b>	-	-	-	<b>42</b>	-
	-	-	-	<b>(33)</b>	-
<b>(g) Loan Given (for business purpose)</b>					
Panorama Television Private Limited	-	-	14,375	-	-
	-	-	(4,285)	-	-
Network18 Media & Investments Limited	-	4,500	-	-	-
	-	(14,000)	-	-	-
<b>Total</b>	-	<b>4,500</b>	<b>14,375</b>	-	-
	-	<b>(14,000)</b>	<b>(4,285)</b>	-	-
<b>(h) Loan received back during the year</b>					
Network18 Media & Investments Limited	-	10,000	-	-	-
	-	(28,500)	-	-	-
Panorama Television Private Limited	-	-	-	-	-
	-	-	(3,620)	-	-
<b>Total</b>	-	<b>10,000</b>	-	-	-
	-	<b>(28,500)</b>	<b>(3,620)</b>	-	-
<b>(i) Investments in the Debentures during the year</b>					
RVT Media Private Limited	-	-	2,551	-	-
	-	-	(1,035)	-	-
Equator Trading Enterprises Private Limited	-	-	-	-	-
	-	-	(4,390)	-	-
<b>Total</b>	-	-	<b>2,551</b>	-	-
	-	-	<b>(5,425)</b>	-	-
<b>(j) Investments in the Equity shares during the year</b>					
Viacom 18 Media Private Limited	-	-	12,975	-	-
	-	-	(-)	-	-
<b>Total</b>	-	-	<b>12,975</b>	-	-
	-	-	-	-	-



## Notes to the financial statements for the year ended 31st March, 2018

Transactions	₹ in lakh				
	Beneficiary/ Protector of Independent Media Trust	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Ventures & Associate
<b>(ii) Balances at the year end</b>					
<b>(a) Loans and advances receivable (including interest accrued)</b>					
ibn18 (Mauritius) Limited	-	-	11	-	-
	-	-	(11)	-	-
Setpro18 Distribution Limited	-	-	-	868	-
	-	-	-	(868)	-
24X7 Learning Private.Limited.	-	-	-	-	2
	-	-	-	-	(2)
Network18 Media & Investments Limited (Maximum balance outstanding during the year ₹ 10,517 lakh)	-	(6,880)	-	-	-
Panorama Television Private Limited (Maximum balance outstanding during the year ₹ 24,348 lakh)	-	-	24,348	-	-
	-	-	(9,324)	-	-
<b>Total</b>	-	-	<b>24,359</b>	<b>868</b>	<b>2</b>
	-	<b>(6,880)</b>	<b>(9,335)</b>	<b>(868)</b>	<b>(2)</b>
<b>(b) Advance from Customers</b>					
Network18 Media & Investments Limited	-	10	-	-	-
	-	(-)	-	-	-
<b>Total</b>	-	<b>10</b>	-	-	-
	-	<b>(-)</b>	-	-	-
<b>(c) Trade receivables</b>					
Reliance Industries Limited.	7	-	-	-	-
	(-)	-	-	-	-
Network18 Media & Investments Limited	-	-	-	-	-
	-	(232)	-	-	-
AETN18 Media Private Limited	-	-	304	-	-
	-	-	(387)	-	-
Bigtree Entertainment Private Limited	-	-	-	32	-
	-	-	-	(28)	-
Digital18 Media Limited	-	-	-	24	-
	-	-	-	(203)	-
e-Eighteen.com Limited	-	-	-	704	-
	-	-	-	(211)	-
Greycells18 Media Limited	-	-	-	90	-
	-	-	-	(209)	-
TV18 Home Shopping Network Limited	-	-	-	-	748
	-	-	-	(547)	(-)

## Notes to the financial statements for the year ended 31st March, 2018

Transactions	₹ in lakh				
	Beneficiary/ Protector of Independent Media Trust	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Ventures & Associate
Viacom 18 Media Private Limited	-	-	3,269	-	-
	-	-	(-)	-	(1,956)
IndiaCast Media Distribution Private Limited	-	-	20,857	-	-
	-	-	(-)	-	(11,545)
IndiaCast UK Limited	-	-	177	-	-
	-	-	(-)	-	(50)
IndiaCast US Limited	-	-	4	-	-
	-	-	(-)	-	(8)
IBN Lokmat News Private Limited	-	-	-	-	120
	-	-	-	-	(93)
Panorama Television Private Limited	-	-	398	-	-
	-	-	(562)	-	-
<b>Total</b>	<b>7</b>	<b>-</b>	<b>25,009</b>	<b>850</b>	<b>868</b>
	<b>(-)</b>	<b>(232)</b>	<b>(949)</b>	<b>(1,198)</b>	<b>(13,652)</b>

### (d) Trade payables

Reliance Corporate IT Park Limited	-	-	-	66	-
	-	-	-	(-)	-
Reliance Retail Limited.	-	-	-	0	-
	-	-	-	(-)	-
Reliance Jio Infocomm Limited	-	-	-	0	-
	-	-	-	(-)	-
Network18 Media & Investments Limited	-	58	-	-	-
	-	(82)	-	-	-
AETN18 Media Private Limited	-	-	1,356	-	-
	-	-	(320)	-	-
Digital18 Media Limited	-	-	-	184	-
	-	-	-	(79)	-
e-Eighteen.com Limited	-	-	-	280	-
	-	-	-	(154)	-
E-18 Limited	-	-	-	1	-
	-	-	-	(1)	-
IBN Lokmat News Private Limited	-	-	-	-	14
	-	-	-	-	(3)
IndiaCast Media Distribution Private Limited	-	-	4,414	-	-
	-	-	(-)	-	(864)
IndiaCast UK Limited	-	-	13	-	-
	-	-	(-)	-	-

## Notes to the financial statements for the year ended 31st March, 2018

Transactions	₹ in lakh				
	Beneficiary/ Protector of Independent Media Trust	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Ventures & Associate
Panorama Television Private Limited	-	-	482	-	-
	-	-	(241)	-	-
Viacom 18 Media Private Limited	-	-	40,582	-	-
	-	-	(-)	-	(28,961)
TV18 Home Shopping Network Limited	-	-	-	-	-
	-	-	-	(33)	-
<b>Total</b>	-	<b>58</b>	<b>46,847</b>	<b>531</b>	<b>14</b>
	-	<b>(82)</b>	<b>(561)</b>	<b>(267)</b>	<b>(29,828)</b>
<b>(e) Other Receivable</b>					
IndiaCast UK Limited	-	-	-	-	-
	-	-	-	-	(95)
<b>Total</b>	-	-	-	-	-
	-	-	-	-	<b>(95)</b>
<b>(f) Provision for Non- Recoverable advances</b>					
Setpro18 Distribution Limited	-	-	-	868	-
	-	-	-	(868)	-
<b>Total</b>	-	-	-	<b>868</b>	-
	-	-	-	<b>(868)</b>	-

All related party contracts/ arrangements have been entered on arm's length basis.

Figure in brackets represent figures for the previous year.

## Notes to the financial statements for the year ended 31st March, 2018

	₹ in lakh	
	2017-18	2016-17
<b>31 CONTINGENT LIABILITIES AND COMMITMENTS</b>		
<b>(I) Contingent Liabilities</b>		
<b>Claims against the Company not acknowledged as debts</b>		
(i) Demand in excess of 'Income Tax provision'	2,940	2,998
(ii) Liabilities under export obligation in "Export Promotion Capital Goods Scheme"	677	677
<b>(II) Commitments</b>		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for	48	205
(B) Other Litigations		
(a) 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 suit is currently pending.	3,11,406	3,11,406
(b) The Company has received demand order from the Collector of Stamps, Delhi relating to scheme of amalgamation of the Company and Network 18 Media and Investments Limited. The Company has filed writ petition against such order and the Delhi High Court has granted stay on such demand order.	3,077	3,915
(c) The Company 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.	25,027	20,528

### 32 Obligation on long term, non cancellable operating lease

The Company has taken various residential/ commercial premises under cancellable/ non-cancellable operating leases. There are no sub leases or restrictions imposed by lease arrangements. The cancellable lease agreements are normally renewed on expiry. Operating lease charges amounting to ₹ 2,559 lakh (Previous year ₹ 2,522 lakh) have been debited to the Statement of Profit and Loss during the year. The details of future minimum lease payments under non-cancellable leases are as under:

	₹ in lakh	
Particulars	31st March, 2018	31st March, 2017
Not later than one year	857	765
Later than one year but not later than five years	471	312
Payable later than five years	-	-
<b>Total</b>	<b>1,328</b>	<b>1,077</b>

The operating leases mainly relates to office premises with lease terms of between 2 to 9 years. Most of the operating lease contract contains market review clauses for rate escalation.

## Notes to the financial statements for the year ended 31st March, 2018

### 33 Foreign exchange exposure/ currency risk

The Company does not use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and forecasted transactions.

The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at year end is as follows:

Particulars	31st March, 31st March, 2018                      2017	
<b><u>Trade payables</u></b>		
USD	32,67,851	51,72,099
₹ in lakh	2,130	3,354
GBP	99,309	1,24,897
₹ in lakh	92	101
SGD	60,000	60,000
₹ in lakh	30	28
EURO	500	28,173
₹ in lakh ( Current year in ₹ 40,404)	0	20
HKD	-	48,000
₹ in lakh	-	4
<b><u>Trade receivable</u></b>		
USD	13,20,751	14,82,792
₹ in lakh	861	962
GBP	80,394	37,427
₹ in lakh	74	30
CAD	1,417	1,852
₹ in lakh	1	1

#### 33.1 Sensitivity analysis of 2% change in exchange rate at the end of the reporting period:

2% appreciation / depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in a decrease/ increase in the Company's profit before tax by approximately ₹ 26 lakh for the year ended 31st March 2018 and ₹ 50 lakh for the year ended 31st March 2017 respectively.

## Notes to the financial statements for the year ended 31st March, 2018

### 34 Capital and Financial Risk Management

#### 34.1 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company monitors Capital using a gearing ratio.

The capital structure of the Company consists of debt, cash and cash equivalent and equity.

#### Gearing ratio

The gearing ratio at end of the year is as follows.

		₹ in lakh	
		31st March, 2018	31st March, 2017
Gross Debt (Refer Note 15, 17 and 19)		38,551	23,669
Less: Cash and cash equivalent (Refer Note 8)		1	593
Net debt	(A)	38,550	23,076
Equity (Refer Note 13 and 14)	(B)	3,79,261	3,69,715
Net Gearing	(A) / (B)	0.10	0.06

#### 34.2 Financial Risk Management

The Company's activities exposes it mainly to credit risk and liquidity risk, The treasury team identifies and evaluates financial risk in close coordination with the Company's business teams.

##### (a) Credit risk

Credit risk is the risk that customers or counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities which is primarily trade receivables.

Customer credit risk is managed by each business team subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customers receivables are regularly monitored.

An impairment analysis is performed at each reporting date for major customers. Receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to receivables as low.

##### (b) Liquidity Risk

The Company closely monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of commercial papers and cash credit/ overdrafts from banks. The Company assessed the concentration of risk with respect to its debt as low. As at reporting date, all financial liabilities of the Company are short term. Further, the Company believes that carrying value of all of its financial liabilities including debt approximates its fair value.

## Notes to the financial statements for the year ended 31st March, 2018

### 35 Fair value measurement hierarchy:

₹ in lakh

Particulars	As at 31st March, 2018			As at 31st March, 2017				
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>At Amortised Cost</b>								
Investments	3,54,613				3,39,099			
Trade Receivables	21,692				18,027			
Cash and Bank Balances	84				745			
Loans	23,100				14,263			
Other Financial Assets	3,568				4,148			
<b>AT FVTPL</b>								
Loans	2,133		2,133		1,683	-	1,683	-
<b>AT FVTOCI</b>								
Investments	1,339	76	1,263	0	134	134	-	0
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Borrowings	38,551				23,669			
Trade Payables	13,946				11,395			
Other Financial Liabilities	202				200			

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three level.

Level 1: Inputs are Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

## Notes to the financial statements for the year ended 31st March, 2018

- 36** Details of loan given, investment made and gaurantee given covered u/s 186 (4) of the Companies Act, 2013
- (a) Loan given by the Company to body corporate as at 31st March 2018 ( Refer Note 3 and 10)
- (b) Investment made by the Company as at 31st March, 2018 ( Refer Note 2)
- (c) No Gaurantee has been given by the Company as at 31st March, 2018
- 37 Segment Reporting:**
- The Company is engaged in only one segment i.e. “Media Operations” and hence there is no separate reportable segment as per Ind AS 108 ‘Operating Segments’. Since the Company’s operations are primarily in India, it has determined single geographical segment.
- 38** In the previous year 2016-17, The Group received 90,96,333 Equity Shares of ₹ 10 each and 2,078 Optionally Convertible Non-Cumulative Redeemable Preference shares (0.001%) of ₹ 10 each of Viacom18 Media Private Limited (“Viacom18”) (Joint venture of the Company), pursuant to the Scheme of Amalgamation and Arrangement for merger of Prism TV Private Limited (joint venture of Equator, a wholly owned subsidiary of the Company) and Viacom18, approved by the Honorable High Court of Judicature at Bombay on 12th August, 2016.
- 39** The Scheme for Merger by Absorption (the ‘Scheme’) for merger of Equator Trading Enterprises Private Limited, Panorama Television Private Limited, RVT Media Private Limited and ibn18 (Mauritius) Limited in to TV18 Broadcast Limited with appointed date as 1st April, 2016, has been filed with National Company Law Tribunal, Mumbai Bench, for approval. Upon receipt of approval, the scheme shall be given effect to in the financial statements of the Company.
- 40** On 28th February 2018, the Company increased its equity interest in Viacom18 Media Private Limited (Viacom18) from 50% to 51% by acquiring in cash 1% of the equity shares for ₹ 12,975 lakh and consequently obtained operational control over Viacom18. Accordingly, the Company has accounted for Viacom18 as subsidiary from March 1, 2018. Consequent to this acquisition. IndiaCast Media Distribution Private Limited, which was hitherto a Joint Venture, was accounted as subsidiary with effect from 1st March, 2018.
- 41** Previous year’s figures have been regrouped wherever necessary to make them comparable to current year’s figures.
- 42** The financial statements were approved for issue by the Board of Directors on 24th April, 2018.

As per our Report of even date  
**For S.R. Batliboi & Associates LLP**  
 Chartered Accountants  
 ICAI Firm Reg. No.: 101049W/E300004

per **Kalpesh Jain**  
 Partner  
 Membership No.: 106406

Place: Mumbai  
 Date: 24th April, 2018

For and on behalf of the Board of Directors

**TV18 Broadcast Limited**

**Adil Zainulbhai**  
 Chairman  
 DIN 06646490

**P.M.S. Prasad**  
 Director  
 DIN 00012144

**Nirupama Rao**  
 Director  
 DIN 06954879

**Ramesh Kumar Damani**  
 Chief Financial Officer

**Dhruv Subodh Kaji**  
 Director  
 DIN 00192559

**Deepak Gupta**  
 Company Secretary