VIACOM18 MEDIA PRIVATE LIMITED

FINANCIAL STATEMENTS

2017-18

INDEPENDENT AUDITOR'S REPORT

To The Members ofViacom18 Media Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Viacom18 Media Private Limited**("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the 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 the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

In conducting 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 and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS 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'spreparation 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 the accounting policies used and the reasonableness of theaccounting 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 obtained by us 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 aforesaid 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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 purposes 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, the Statement of Profit and Loss including 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 Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directorsis disqualified as on 31st March, 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 Companyand the operating effectiveness of such controls, refer to our separate Report in "Annexure A".Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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, as amended, 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Abhijit A. Damle
Partner
(Membership No. 102912)

MUMBAI

Dated: 16th April, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORTTO THE MEMBERS OF VIACOM18 MEDIA PRIVATE LIMITED

(Referred to in paragraph1 (f)under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 ofSection 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Viacom18 Media Private Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of thestandalone Ind ASfinancial 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 financialcontrols based on the internal control over financial reporting criteriaestablished by the Company considering the essential components of internal control stated inthe Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued bythe Institute of Chartered Accountants of India. These responsibilities include the design,implementation and maintenance of adequate internal financial controls that were operatingeffectively for ensuring the orderly and efficient conduct of its business, including adherence tocompany's policies, the safeguarding of its assets, the prevention and detection of frauds anderrors, the accuracy and completeness of the accounting records, and the timely preparation ofreliable 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 overfinancial reporting of the Company based on our audit. We conducted our audit in accordance withthe Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the"Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribedunder Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit ofinternal financial controls. 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 obtainedis sufficient and appropriate to providea basis for our audit opinion on the Company's 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us,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 financial control over financial reportingcriteria 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Abhijit A. Damle
Partner
(Membership No. 102912)

MUMBAI

Dated: 16th April, 2018

Annexure B to the Independent Auditor's Report to the Members ofViacom18 Media Private Limited

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us, the Company does not have any immovable properties of freehold or leasehold land and buildingand hence reporting under clause (i)(c) of paragraph 3of the Order is not applicable.

(ii) The Company does not have any inventory (i.e. goods) and hence reporting under clause (ii) of paragraph 3of the Order is not applicable.

(iii) 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 Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans or provided guarantees and securities.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder and hence reporting under clause (v) of paragraph 3 of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013**.** We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues where applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31stMarch, 2018_for a period of more than six months from the date they became payable.

(c) There are no cases of non-deposit with appropriate authorities of disputed dues of Customs Duty and Excise Duty. Details of dues of Income Tax, Sales Tax, Service Taxand Value Added Tax which have not been deposited as on 31st March, 2018 on account of disputes is given below:

Name of Statute	Nature of Dues	Forum where Dispute is Relates	Period to which the Pending	Amount Involved Amount (Rs. In Million)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	Financial Year 2004-05, 2006-07 and 2008-09	97.68
	Income Tax	Commissioner of Income Tax (Appeal)	Financial Year 205-06, 2007-08 and 2011-12 to 2013-14.	925.42
	Income Tax (FBT)	Assessment Officer	Financial Year 2005-06	0.26
Finance Act, 1994	Service Tax	Commissioner Service Tax	Financial Year 2005-06 to 2011-12	354.62
		Custom Excise and Service Tax Appellate Tribunal	Financial Year April 2009 to June 2012	120.62
Maharashtra VAT Act	VAT	Dy. Commissioner Sales Tax	Financial Year 2005-06 and 2013-2014	88.48
Uttar Pradesh VAT Act	VAT	Additional Commissioner Appeal	Financial Year 2009-10 to 2011-12 and 2013-14	1.48
CST Act, 1956	Sales Tax	Dy. Commissioner Sales Tax	Financial Year 2009-10 to 2011-12	19.34
Entertainment Tax Act	Entertainment Tax	Commissioner	Financial Year 2013-14 and 2015-16	53.13

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken anyloans or borrowings from financial institutions andgovernment and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneysby way of initial public offer or further public offer (including debt instruments).

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paidmanagerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Abhijit A. Damle
Partner
(Membership No. 102912)

MUMBAI

Dated: 16th April, 2018

Balance Sheet as at March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	3	**971.22**	1,014.75
(b) Capital Work In Progress		**217.56**	135.11
(c) Intangible Assets	3	**311.80**	511.57
(d) Financial Assets			
(i) Investments	4	**3,659.53**	3,659.53
(ii) Other Financial Assets	5	**242.90**	255.85
(e) Deferrred Tax assets (Net)	6	**-**	-
(f) Other Non-Current Assets	7	**1,773.60**	2,364.99
Total Non-Current Assets		**7,176.61**	7,941.80
Current Assets			
(a) Inventories	8	**13,407.54**	12,005.85
(b) Financial Assets			
(i) Trade Receivables	9	**11,500.96**	8,219.96
(ii) Cash and Cash Equivalents	10	**720.24**	286.43
(iii) Bank Balances other than (ii) above	10	**3.06**	6.06
(iv) Other Financial Assets	11	**453.84**	88.16
(c) Other Current Assets	12	**1,103.60**	1,171.26
Total Current Assets		**27,189.24**	21,777.72
Total Assets		**34,365.85**	29,719.52
Equity and Liabilities			
Equity			
(a) Equity Share Capital	13	**1,137.30**	1,137.30
(b) Other Equity	14	**11,378.03**	10,543.39
Total Equity		**12,515.33**	11,680.69
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	**49.08**	31.52
(b) Provisions	16	**136.17**	70.14
Total Non-Current Liabilities		**185.25**	101.66
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	**5,703.89**	6,164.36
(ii) Trade Payables	18	**15,036.37**	10,409.43
(iii) Other Financial Liabilities	19	**25.81**	623.18
(b) Other Current Liabilities	20	**874.20**	715.10
(c) Provisions	21	**25.00**	25.10
Total Current Liabilities		**21,665.27**	17,937.17
Total Liabilities		**21,850.52**	18,038.83
Total Equity and Liabilities		**34,365.85**	29,719.52

See accompanying Notes to Financial Statements

In terms of our report attached

For Deloitte Haskins and Sells LLP
Firm Registration No: 117366W/W-100018
Chartered Accountants

Abhijit A. Damle
Partner
Membership No: 102912

Mumbai
Date : April 16, 2018

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

K. R. Raja
Director
DIN : 00006673

Soumen Ray
Chief Financial Officer

Sujeet Jain
Company Secretary

Mumbai
Date : April 16, 2018

Mumbai
Date : April 16, 2018

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

(All amounts in Rs. million, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Value of Sales and Services (Revenue)		**41,562.09**	30,364.96
Less GST Recovered		**4,707.86**	-
Revenue From Operations	22	**36,854.23**	30,364.96
Other Income	23	**168.54**	42.31
Total Income		**37,022.77**	30,407.27
Expenses			
Operational Expense	24	**28,395.59**	23,265.06
Employee Benefits Expense	25	**4,270.39**	3,543.45
Finance Costs	26	**500.93**	599.81
Depreciation and Amortisation Expense	27	**703.96**	502.36
Other Expenses	28	**2,067.07**	2,147.88
Total Expenses		**35,937.94**	30,058.56
Profit Before Tax		**1,084.83**	348.71
Tax Expense			
Current Tax	29	**257.15**	42.50
Net Tax Expense		**257.15**	42.50
Profit for the Year		**827.68**	306.21
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss:			
Actuarial Gain / (Losses) on post retirement benefit plans		**6.96**	(23.01)
Total Comprehensive Income for the Year		**834.64**	283.20
Earning per equity share: [Nominal Value per share: Rs. 10 (Previous Year: Rs. 10)]	30		
Basic (in Rupees)		**7.28**	2.69
Diluted (in Rupees)		**7.28**	2.69

See accompanying notes to the financial statements

In terms of our report attached

For Deloitte Haskins and Sells LLP
Firm Registration No: 117366W/W-100018
Chartered Accountants

Abhijit A. Damle
Partner
Membership No: 102912

Mumbai
Date : April 16, 2018

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

K. R. Raja
Director
DIN : 00006673

Soumen Ray
Chief Financial Officer

Sujeet Jain
Company Secretary

Mumbai
Date : April 16, 2018

Mumbai
Date : April 16, 2018

Statement of Changes in Equity for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

A.	**Equity Share Capital**	**Total**
	As at March 31, 2016	955.38
	Changes in Equity Share Capital during the year (Note 13)	181.92
	As at March 31, 2017	**1,137.30**
	Changes in Equity Share Capital during the year	-
	As at March 31, 2018	**1,137.30**

B. Other Equity

	Reserves and Surplus					Total
	Business Reconstruction Reserve	**Securities Premium Reserve**	**Retained Earnings**	**Capital Redemption Reserve**	**Actuarial Gains / (Losses)**	
Balance as at the March 31, 2016	**4,446.95**	**440.11**	**879.47**	**-**	**(19.91)**	**5,746.62**
Adjustments during the year						
Less: Adjusted during the year. (Refer Note 37)	(1,291.61)	-	-	-	-	**(1,291.61)**
Add:Securities Premium on issue of 18,192,666 Equity shares at a premium of Rs. 1,053 each.	-	19,156.88	-	-	-	**19,156.88**
Less: Adjustment of Goodwill. (Refer Note 36)	-	(13,351.70)	-	-	-	**(13,351.70)**
Total Comprehensive Income for the year.	-	-	306.21	-	(23.01)	**283.20**
Balance as at the March 31, 2017	**3,155.34**	**6,245.29**	**1,185.68**	**-**	**(42.92)**	**10,543.39**
Adjustments during the year						
Total Comprehensive Income for the year	-	-	827.68	-	6.96	**834.64**
Less/Add: Capital Redemption Reserve created on account of Redemption of OCRPS (Refer Note 39)	-	-	(0.04)	0.04	-	-
Balance as at the March 31, 2018	**3,155.34**	**6,245.29**	**2,013.32**	**0.04**	**(35.96)**	**11,378.03**

See accompanying notes to the financial statements

In terms of our report attached

For Deloitte Haskins and Sells LLP
Firm Registration No: 117366W/W-100018
Chartered Accountants

Abhijit A. Damle
Partner
Membership No: 102912

Mumbai
Date : April 16, 2018

For and on behalf of the Board of Directors

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DIN : 00006673

Soumen Ray
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Sujeet Jain
Company Secretary

Mumbai
Date : April 16, 2018

Mumbai
Date : April 16, 2018

Cash Flow Statement for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

		Year ended March 31, 2018	Year ended March 31, 2017
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	**1,084.83**	348.71
	Adjustments for:		
	Depreciation and Amortisation Expense	**703.96**	502.36
	Provision for Gratuity	**96.59**	27.36
	Provision for Doubtful Trade Receivables and Advances (net)	**104.86**	(131.47)
	Bad Debts and Advances Written off	**74.74**	423.08
	Finance Costs	**500.93**	599.81
	Net Unrealised Exchange (Gain) / Loss	**(15.61)**	14.73
	Net (Gain) on disposal of Property, Plant and Equipments and Intangible assets	**(0.28)**	(0.63)
	Finance Income (Fair Value of Security Deposits)	**(17.94)**	(16.11)
	Interest from Banks on Deposits	**(0.31)**	(16.39)
	Interest on Income Tax Refund	**(118.84)**	-
	Operating Profit Before Working Capital Changes	**2,412.93**	1,751.45
	Changes In Working Capital:		
	Inventories	**(1,401.69)**	(2,151.61)
	Other Financial Assets Non Current	**30.89**	9.39
	Other Financial Assets Current	**(365.69)**	111.02
	Other Non Current Assets	**197.10**	(107.56)
	Other Current Assets	**67.66**	(223.99)
	Trade Receivables	**(3,444.99)**	1,147.82
	Trade Payable	**4,626.94**	(119.33)
	Provisions	**(23.70)**	(56.31)
	Other Current Liabilities	**159.10**	232.76
	Cash Generated From Operations	**2,258.55**	593.64
	Income Taxes Refund / (Paid)	**255.98**	(427.69)
	Net Cash Generated From Operating Activities	**2,514.53**	165.95
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Capital expenditure on Property, Plant and Equipments	**(546.33)**	(1,107.38)
	Bank balances not considered as Cash and Cash equivalents		
	– Matured	**4.65**	721.41
	– Placed	**(1.65)**	(7.62)
	Proceeds from Sale of Property, Plant and Equipments	**3.51**	2.00
	Interest received	**0.32**	17.24
	Net cash (used in) / Generated From Financing Activities	**(539.50)**	(374.35)

Cash Flow Statement for the year ended March 31, 2018 (Contd.)

(All amounts in Rs. million, unless otherwise stated)

		Year ended March 31, 2018	Year ended March 31, 2017
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of Long-Term Borrowings	**(602.02)**	(1,714.00)
	Net (Repayment) / Proceeds in Working Capital Borrowings	**(460.47)**	2,338.21
	Net Proceeds from Vehicle Loan	**31.66**	12.18
	Finance costs	**(510.39)**	(581.78)
	Net cash (used in) / Generated From Financing Activities	**(1,541.22)**	54.61
	Net Increase / (Decrease) in Cash And Cash Equivalents (A+B+C)	**433.81**	(153.79)
	Cash and Cash equivalents at the beginning of the year	**286.43**	440.22
	Cash and cash equivalent at end of Year (refer note below)	**720.24**	286.43

Reconciliation of Cash and cash equivalents with the Balance Sheet:

Particulars	**As at March 31, 2018**	As at March 31, 2017
Cash and bank balances as per Balance Sheet (Refer Note 10)	**723.30**	292.49
Less:- Fixed Deposits with original maturity of more than 3 months	**3.06**	6.06
Cash and cash equivalents as at end of the Year	**720.24**	286.43

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins and Sells LLP
Firm Registration No: 117366W/W-100018
Chartered Accountants

Abhijit A. Damle
Partner
Membership No: 102912

Mumbai
Date : April 16, 2018

For and on behalf of the Board of Directors

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Director
DIN : 07389787

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DIN : 00006673

Soumen Ray
Chief Financial Officer

Sujeet Jain
Company Secretary

Mumbai
Date : April 16, 2018

Mumbai
Date : April 16, 2018

Notes to the Financial Statements for the year ended March 31, 2018

1 General Information

Viacom 18 Media Private Limited (the “Company”) is incorporated in India under the provisions of Companies Act, 1956 as amended, modified, replaced from time to time, as a private limited Company. The Company was a jointly controlled entity by MTV Asia Ventures (India) Pte Ltd, Mauritius and Nickelodeon Asia Holding Pte Ltd, Singapore (together representing Viacom Inc. Group, USA) and TV18 Broadcast Limited (representing Network18 Group, India). During the current year, TV18 Broadcast Limited. additionally acquired 1% stake from MTV Asia Ventures (India) Pte. Limited, Mauritius and now owns 51% of the Company’s Equity Shares.

The Company is engaged in the business of broadcasting of televisions channels, distributing, marketing and selling commercial advertising on ‘channels’ - Colors, Rishtey, Rishtey Cineplex, MTV, MTV Beats, Nick, Nick Jr., Sonic, VH1, Comedy Central, Colors Infinity and regional bouquet of channels. Additionally, the Company also generates revenue from licensing and merchandising of products, brand solutions, organsing live events, Over The Top & digital content dellivery platform and marketing partnerships. The Company is also in the business of production and distribution of motions pictures.

2 Summary of significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.3 *Use of Estimates*

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Property, Plant and Equipment

Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment, which can be reasonably measured, is recognised as an asset, when the future economic benefits associated with the item will flow to the entity. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Projects under which assets are not ready for their intended use are shown as Capital Work -in-Progress.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life assessed, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc:The estimated useful lives residual values and the depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis. The estimated useful lives of the property, plant and equipment are as follows.

Asset	Useful Life
Furniture and Fixtures	5 years
Plant and Machinery (includes Studio Equipment & Audio Video Equipment)	5 years

Notes to the Financial Statements for the year ended March 31, 2018

Equipments and Computer system:	
- Computer Hardware	3 years
- Office Equipments	5 years
Integrated Receiver Decoder	5 years
Leasehold Improvements	3 years *
Motor Vehicles	4 years

* 3 years or lease period whichever is less

Fixed Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

2.5 *Intangible Assets*

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The useful lives and the amortisation method are reviewed at the end of each reporting period , with the effect of any changes in the estimate being accounted for on a prospective basis.Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. The estimated useful lives of the intangible assets are as follows.

Asset Useful Life	
Computer Software	3 years
Electronic Programming Guide Slot	5 years

2.6 *Leases*

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term or where rentals are structured solely to increase in line with expected general inflation, such increases are recognised in the year in which they accrue.

2.7 *Impairment of non-financial assets*

Assessment is done at the end of each reporting period as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at end of each reporting period as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.8 *Foreign Currency Transactions and Translations*

Initial Recognition On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. **Subsequent Recognition** As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of the reporting period. Exchange differences on restatement / settlement of all monetary items are recognised in the Statement of Profit and Loss.

2.9 *Inventories*

Inventories are valued at cost or net realisable value, whichever is less. The Company evaluates the realizable value and

Notes to the Financial Statements for the year ended March 31, 2018

/ or revenue potential of inventory based on the type of programming assets. Cost of shows,events and films are expensed off based on the expected pattern of realisation of economic benefits.Acquired rights of shows and music rights are amortised evenly over the license period.The Company evaluates the realizable value and /or revenue potential of inventory on an ongoing basis and appropriate write down is made in cases where accelerated write down is warranted.

2.10 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Following are the revenue recognition principles for major streams of business:

- Revenue from the sale of air time (net of trade discount, as applicable) is recognised on telecast of advertisements.
- Revenue from distribution of a satellite channel is recognised on a prudent basis in accordance with the right to receive the subscription as per the terms of the respective agreements.
- Revenue from Licensing and merchandising are recognised as per the terms of the arrangement.
- Revenue from licensing of content is recognised in accordance with the licensing agreement on delivery of content.
- Revenues from theatrical distribution of movies is recognised in accordance with the licensing agreement as the films are screened.

2.11 *Other Income*

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income is recognised when the right to receive dividend is established.

2.12 *Employee Benefits*

Defined Contribution Plan: Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.
Defined Benefit Plan: Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 as amended. The Gratuity Plan provides a lump sum payment to vested employees at the time of seperation, retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Plan assets are measured at fair value as at the Balance Sheet date. Actuarial losses/gains comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in other comprehensive income in the year in which they are remeasured.

2.13 *Borrowing costs*

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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.14 *Taxes on Income*

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income or in equity.

Notes to the Financial Statements for the year ended March 31, 2018

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.

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 tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can 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 reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternative Tax (MAT) credit is recognised as deferred tax asset only to the extent when there is convincing evidence that the Company will pay normal income tax during the specified period. Deferred tax assets are reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and 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 represent present value of the obligation.

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

Contingent assets are not recognised or disclosed in the financial statements.

2.16 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance.

2.17 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits which are short term balances having maturity of upto three months with banks. They are liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the Financial Statements for the year ended March 31, 2018

2.19 *Cash Flow Statements*

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.20 *Financial instruments*

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss, are recognised immediately in profit or loss.

Subsequent measurement

Financial assets carried at amortised cost (AC)

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.

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

A financial asset is subsequently 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.

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

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

Investment in Subsidiaries and Joint Ventures

Investment in Subsidiaries, Associates and Joint Ventures are carried at cost as per IND AS 27 except for certain investments that are measured at fair values.

For financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:-

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;-

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and-

Level 3 inputs are unobservable inputs for the assets or liability.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost.

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other

Notes to the Financial Statements for the year ended March 31, 2018

payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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.

3 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.

i) **Depreciation / amortisation and useful lives of property, plant and equipment and intangible assets:**

Property, plant and equipment are depreciated over their 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 technical advise and the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

ii) **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.

iii) **Provisions:**

Provisions and liabilities are recognised 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 requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

4 First-time adoption of Ind AS

The Company has adopted IND AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the opening reserves as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of INDAS and Schedule III of the Companies Act, 2013.

(i) **Ind AS 103 Business Combinations**

The Company has kept the same classification for the past business combinations as in its previous GAAP financial statements.-

The Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the seperate balance sheet of the acquiree.-

The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS.The above exemption in respect of business combinations has also been applied to past acquistions of interests in joint ventures as defined in Ind AS 103.

(ii) **Investments in subsidiaries, joint ventures.**

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost under Ind AS 27. For this purpose, the carrying amount as on transition date under previous GAAP is considered as cost under Ind AS except for investment in Roptonal Ltd, a subsidiary, which is determined based on the fair value at the date of transition.

Notes to the Financial Statements for the year ended March 31, 2018

5 Accounting 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 results.

Notes to the Financial Statements for the year ended March 31, 2018

3. Property, Plant and Equipment

(All amounts in Rs. million, unless otherwise stated)

Description of Assets	Leasehold Improvements	Plant and Equipment	Integrated Receiver Decoders	Equipments and Computer System	Furniture and Fixtures	Vehicles	Total
I. Gross Block							
Balance as on April 1, 2016	**326.48**	**615.71**	**342.04**	**337.26**	**44.29**	**34.33**	**1,700.11**
Additions	138.42	66.81	67.50	250.59	25.53	21.83	570.68
Disposals	(3.59)	(24.37)	-	(29.07)	(0.60)	(0.10)	(57.73)
Balance as on March 31, 2017	**461.31**	**658.15**	**409.54**	**558.78**	**69.22**	**56.06**	**2,213.06**
Additions	7.82	160.72	25.04	176.29	9.60	46.08	425.55
Disposals	-	-	(3.89)	(6.41)	(1.05)	-	(11.35)
Balance as on March 31, 2018	**469.13**	**818.87**	**430.69**	**728.66**	**77.77**	**102.14**	**2,627.26**
II. Accumulated depreciation							
Balance as on April 1, 2016	**(212.70)**	**(220.53)**	**(248.51)**	**(216.33)**	**(25.83)**	**(1.25)**	**(925.15)**
Depreciation expense for the year	(62.21)	(116.30)	(34.19)	(95.71)	(8.87)	(12.52)	(329.80)
Disposal	3.59	23.93	-	28.48	0.54	0.10	56.64
Balance as on March 31, 2017	**(271.32)**	**(312.90)**	**(282.70)**	**(283.56)**	**(34.16)**	**(13.67)**	**(1,198.31)**
Depreciation expense for the year	(96.54)	(136.50)	(48.02)	(155.26)	(10.49)	(19.04)	(465.85)
Disposal	-	-	0.90	6.17	1.05	-	8.12
Balance as on March 31, 2018	**(367.86)**	**(449.40)**	**(329.82)**	**(432.65)**	**(43.60)**	**(32.71)**	**(1,656.04)**
Net block (I-II)							
Balance as on March 31, 2018	**101.27**	**369.47**	**100.87**	**296.01**	**34.17**	**69.43**	**971.22**
Balance as on March 31, 2017	189.99	345.25	126.84	275.22	35.06	42.39	1,014.75

Notes to the Financial Statements for the year ended March 31, 2018

3 Intangible assets

(All amounts in Rs. million, unless otherwise stated)

Description of Assets	Goodwill on Merger	Computer Software	Electronic Programming guide	Total	Adjustment from Business Recontruction Reserve (BRR)	Total
I. Intangible Assets						
Balance as on April 1, 2016	**17,802.26**	**239.88**	**15.42**	**18,057.56**	-	**18,057.56**
Additions	-	552.03	-	552.03	-	552.03
Disposals	-	(2.66)	-	(2.66)	-	(2.66)
Adjusted against Business Restructuring Reserve (Refer Note 3.1)	(4,450.56)	-	-	(4,450.56)	-	(4,450.56)
Adjusted against Securities Premium (Refer Note 3.1)	(13,351.70)	-	-	(13,351.70)	-	(13,351.70)
Balance as on March 31, 2017	**-**	**789.25**	**15.42**	**804.67**	-	**804.67**
Additions	-	38.34	-	38.34	-	38.34
Disposal	-	(13.65)	-	(13.65)	-	(13.65)
Balance as on March 31, 2018	**-**	**813.94**	**15.42**	**829.36**	-	**829.36**
II. Accumulated Amortisation						
Balance as on April 1, 2016	**(3,560.45)**	**(110.01)**	**(12.91)**	**(3,683.37)**	-	**(3,683.37)**
Amortisation expense for the year	(890.11)	(170.79)	(1.77)	(1,062.67)	(890.11)	(172.56)
Adjsuted aginast Business Restructing Reseve (Refer Note 3.1)	4,450.56	-	-	4,450.56	-	4,450.56
Disposal	-	2.38	-	2.38	-	2.38
Balance as on March 31, 2017	**-**	**(278.42)**	**(14.68)**	**(293.10)**	-	**(293.10)**
Amortisation expense for the year	-	(237.37)	(0.74)	(238.11)	-	(238.11)
Disposal	**-**	13.65	-	13.65	-	13.65
Balance as on March 31, 2018	**-**	**(502.14)**	**(15.42)**	**(517.56)**	-	**(517.56)**
Net block (I-II)						
Balance as on March 31, 2018	**-**	**311.80**	**-**	**311.80**	**-**	**311.80**
Balance as on March 31, 2017	-	510.83	0.74	511.57	-	511.57

3.1 - The Goodwill on merger has been ammortised against Business Reconstruction Reserve to the extent of 4,450.56 million and the balance 13,351.69 million has been adjusted against Securities Premium - Refer Note 36 and 37.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

4 Investments	As at March 31, 2018	As at March 31, 2017
Investment in equity instruments and debt instruments(Fully paid up, unquoted at cost, unless stated otherwise)		
(i) of Subsidiaries:		
2,951 equity shares (March 31, 2017: 2,951) of GBP 1 each held in Viacom18 Media (UK) Ltd	**0.24**	0.24
100 equity shares (March 31, 2017: 100) of USD 0.01 each held in Viacom18 US Inc.	**0.24**	0.24
5,768 equity shares (March 31, 2017: 5,768) of GBP 0.85 each held in Roptonal Limited, Cyprus	**3,185.63**	3,185.63
(ii) of Joint venture (IndiaCast Media Distribution Private Limited);		
228,000 equity shares (March 31, 2017: 228,000) of Rs. 10 each;	**73.42**	73.42
40,000,000 Compulsory Convertible Debentures (March 31, 2017: 40,000,000) of Rs.10 each.	**400.00**	400.00
Total	**3,659.53**	3,659.53

5 Other Financial Assets (Non - Current)	As at March 31, 2018	As at March 31, 2017
Security Deposits	**191.08**	221.63
Prepaid Rent	**51.82**	34.22
Total	**242.90**	255.85

6 Deferred Tax Assets (Net)	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liability		
Inventory Amortisation	**852.60**	731.93
Less : Deferred Tax Assets (Refer note 6.1)		
Provision for Doubtful Debts	**324.34**	288.06
Expenses disallowed under section 40(a) allowable in later years	**528.26**	443.87
	852.60	731.93
Net Deferred Tax Assets	**-**	-

6.1 Recognition of Deferred Tax Asset is restricted to Deferred Tax Liability.

The movement in deferred tax asset and liabilities:	As at March 31, 2017	Credited / (charge) to Income statement / OCI	As at March 31, 2018
Deferred Tax assets:			
Provision for Doubtful Debts	288.06	36.28	**324.34**
Expenses disallowed under section 40(a) allowable in later years	443.87	84.39	**528.26**
Total	731.93	120.67	**852.60**

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

	As at March 31, 2017	Credited / (charge) to Income statement / OCI	As at March 31, 2018
Deferred Tax liabilities:			
Expenses (Inventory Amortisation)	731.93	120.67	**852.60**
Total	731.93	120.67	**852.60**
Net deferred tax assets	**-**	**-**	**-**

The movement in deferred tax asset and liabilities:

	As at March 31, 2016	Credited / (charge) to Income statement / OCI	As at March 31, 2017
Deferred Tax assets:			
Provision for Doubtful Debts	406.00	(117.94)	288.06
Expenses disallowed under section 40(a) allowable in later years	279.72	164.15	443.87
Total	**685.72**	**46.21**	**731.93**
Deferred Tax liabilities:			
Expenses (Inventory Amortisation)	685.72	46.21	731.93
Total	**685.72**	**46.21**	**731.93**
Net deferred tax assets	**-**	**-**	**-**

6.1 The unrecognised deferred tax asset on unused tax losses and MAT credits having expiry period from assessment year 2021-2022 to 2032-2033 amounts to Rs. 1,686.76 million (March 31, 2017 Rs. 1,441.25 million) and other items with no expiry date amounts to Rs. 1,039.26 million (March 31, 2017 Rs. 908.83 million).

7 Other Non-current Assets

	As at March 31, 2018	As at March 31, 2017
Capital Advances	**2.50**	29.68
Advances to subsidiary companies (Refer Note 34)	**3.25**	3.24
Advance Income Tax (Net of provision of Rs. 1,720.33 million, March 31, 2017; Rs. 1,463.17 million)	**1,732.40**	2,126.69
Advances to Vendors		
Considered Good	**35.45**	205.38
Doubtful	**198.60**	198.60
Total	**234.05**	403.98
Less: Provision for doubtful advances	**(198.60)**	(198.60)
	35.45	205.38
Total	**1,773.60**	2,364.99

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

8 Inventories

	As at March 31, 2018	As at March 31, 2017
Programming and Film Rights	**10,162.77**	9,522.93
Projects in Progress	**3,244.77**	2,482.92
Total	**13,407.54**	12,005.85

9 Trade Receivables

	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good	**11,500.96**	8,219.96
Unsecured, considered doubtful	**937.18**	832.32
Trade Receivables	**12,438.14**	9,052.28
Less: Provision (basis Expected Credit Loss)	**937.18**	832.32
Total	**11,500.96**	8,219.96

Generally credit period ranges from advance to 60 days

10 Cash and Cash Equivalents

	As at March 31, 2018	As at March 31, 2017
Cash on hand	**-**	0.28
Bank balances		
In current accounts	**720.24**	286.15
Total	**720.24**	286.43

10 Bank balances other than above

Other Bank balances		
In deposits (Refer note 10.1)	**3.06**	6.06
Total	**3.06**	6.06

10.1 Fixed Deposits are provided as security against non-fund based and fund-based credit facilities.

11 Other Financial Assets (Current)

	As at March 31, 2018	As at March 31, 2017
Security Deposits	**20.35**	9.71
Interest accrued on bank deposits	**0.01**	0.02
Accrued Revenue	**433.48**	78.43
Total	**453.84**	88.16

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

12 Other Current Assets

	As at March 31, 2018	As at March 31, 2017
Prepaid expenses	**217.29**	140.77
Advance to Suppliers	**400.84**	737.89
Others (Goods and Service Tax Credit, Service Tax Input Credit, Employee Advances, etc.)	**485.47**	292.60
Total	**1,103.60**	1,171.26

13 Equity Share Capital

	As at March 31, 2018	As at March 31, 2017
Authorised:		
194,995,922 (March 31, 2017: 194,995,922) equity shares of Rs. 10 each	**1,949.96**	1,949.96
Issued:		
113,730,248 (March 31, 2017: 113,730,248) equity shares of Rs. 10 each	**1,137.30**	1,137.30
Subscribed and Paid up:		
113,730,248 (March 31, 2017: 113,730,248) equity shares of Rs. 10 each (fully paid up)	**1,137.30**	1,137.30
Total	**1,137.30**	1,137.30

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

Equity Shares:

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	**113,730,248**	**1,137.30**	95,537,582	955.38
Additions during the year	**-**	**-**	18,192,666	181.92
Balance as at the end of the year	**113,730,248**	**1,137.30**	113,730,248	1,137.30

(b) Rights, preferences and restrictions attached to shares:

(i) Equity Shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, (except in case of interim dividend), is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all dues propotionate to their shareholding.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

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

	As at March 31, 2018		As at March 31, 2017	
	Number	**Amount**	**Number**	**Amount**
Equity Shares:				
MTV Asia Ventures (India) Pte. Ltd., Mauritius	**46,631,488**	**466.31**	47,768,791	477.69
	(41%)		(42%)	
TV18 Broadcast Limited	**58,002,427**	**580.02**	56,865,124	568.65
	(51%)		(50%)	
Nickelodeon Asia Holdings Pte Ltd. Singapore	**9,096,333**	**90.96**	9,096,333	90.96
	(8%)		(8%)	

(d) Of the above 18,192,666 equity shares were issued in the previous year persuant to scheme of amalgamation without payments being received in cash.

14 Other Equity

	As at March 31, 2018	As at March 31, 2017
Business Reconstruction Reserve (Refer Note 37)		
Balance as at the beginning of the year	**3,155.34**	4,446.95
Less: Withdrawal during the year	**-**	(1,291.61)
Balance as at the end of the year	**3,155.34**	3,155.34
Securities Premium Account		
Balance as at the beginning of the year	**6,245.29**	440.11
Add: Share Premium on Issue of 18,192,666 Equity shares @ Rs. 1,053 each.	**-**	19,156.88
Less: Adjustment of Goodwill (refer note 36)	**-**	(13,351.70)
Balance as at the end of the year	**6,245.29**	6,245.29
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	**1,185.68**	879.47
Less: Transferred to Capital Redemption Reserve	**(0.04)**	-
Add: Profit for the year	**827.68**	306.21
Balance as at the end of the year	**2,013.32**	1,185.68
Other Comprehensive Income		
Balance as at the beginning of the year	**(42.92)**	(19.91)
Add: Movement in OCI (net) during the year	**6.96**	(23.01)
Balance as at the end of the year	**(35.96)**	(42.92)
Capital Redemption Reserve		
Balance as at the beginning of the year	**-**	-
Add: Amount transferred from Surplus in Statement of Profit and Loss (Refer Note 40)	**0.04**	-
Balance as at the end of the year	**0.04**	-
Total	**11,378.03**	10,543.39

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

15 Borrowings (non-current)

	As at March 31, 2018	As at March 31, 2017
Vehicle Loan (Refer note 15.1 and 19)	**49.08**	31.52
Total (Refer Note 19)	**49.08**	31.52

Nature of Security and terms of repayment for secured borrowings

Nature of Security:

Motor Vehicles are secured with the bank for vehicle loans availed.

Terms of Repayment:

15.1 Repayable in 48 monthly equal installments from the date of disbursement ranging from September 15, 2015 to March 16, 2017.

16 Provisions (non-current)

	As at March 31, 2018	**As at March 31, 2017**
Provision for employee benefits: (Refer note 25.2)		
Provision for gratuity	**136.17**	70.14
Total	**136.17**	70.14

17 Borrowings (current)

	As at March 31, 2018	**As at March 31, 2017**
Loans repayable on demand from Banks:		
Secured (Refer Note 17.1 and 17.2)	**2,703.89**	2,159.49
Unsecured	**-**	1,004.87
Commercial Paper		
Unsecured (Refer Note 17.3)	**3,000.00**	3,000.00
Total	**5,703.89**	6,164.36

17.1 Loans repayable on demand from Banks are secured by a first *pari passu* charge over Fixed Assets and Current Assets.

17.2 Fixed Deposits amounting to Rs. 2.90 (March 31, 2017: Rs. 6.06) are provided as collateral security (Refer Note 10).

17.3 Maximum Commercial Paper outstanding during the year is Rs 3,000 (March 31, 2017 Rs. 3,000).

18 Trade Payables

	As at March 31, 2018	**As at March 31, 2017**
Total outstanding dues to creditors other than micro and small enterprises	**15,036.37**	10,409.43
Total	**15,036.37**	10,409.43

18.1 According to the records available with the Company, there were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year. Hence disclosures, if any, relating to amounts unpaid as at the period end together with the interest paid / payable as required under the said Act have not been given.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

19 Other Financial Liabilities (current)

	As at March 31, 2018	As at March 31, 2017
Current maturities of long-term debt (Refer note 15)	**25.35**	610.00
Interest accrued but not due on borrowings	**0.46**	10.75
0.001% Optionally Convertible Non- Cumulative Redeemable Preference shares (OCRPS) (Refer Note 19.1)	**-**	2.43
Total	**25.81**	623.18

19.1 'The OCRPS can be converted after 19 years at the option of Company at a subscription price of Rs. 595 per share or fair market value , whichever is higher or can be redeemed at the price at which such OCRPS are issued (i.e. Rs. 595 per Preference Share aggregating to Rs. 2.43 million) and no other premium will be payable at the time of redemption. The same have been redeemed during the current year. (Refer Note 39)

20 Other Current Liabilities

	As at March 31, 2018	As at March 31, 2017
Income Received in Advance (Unearned revenue)	**156.90**	212.51
Statutory Dues (Goods and Service Tax, Service Tax, Withholding Taxes and Others)	**345.42**	0.91
Advance from customers	**371.88**	501.68
Total	**874.20**	715.10

21 Current Provisions

	As at March 31, 2018	As at March 31, 2017
Provision for Employee Benefits: (Refer note 25.2)		
For Gratuity	**25.00**	25.10
Total	**25.00**	25.10

22 Revenue from Operations

	Year ended March 31, 2018	Year ended March 31, 2017
Advertisement Sales, Distribution and Program Syndication	**32,164.17**	28,500.01
Film Distribution and Syndication	**4,544.35**	1,707.20
Other Sales and Service Income	**136.25**	145.19
Other Operating Income	**9.46**	12.56
Total	**36,854.23**	30,364.96

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

23 Other Income

	Year ended March 31, 2018	Year ended March 31, 2017
Interest from banks on deposits	**0.31**	16.39
Interest on Income tax refund	**118.84**	-
Net Gain on Disposal of property plant and equipments	**0.28**	0.63
Finance Income (Fair Value of Security Deposits)	**17.94**	16.11
Miscellaneous Income	**31.17**	9.18
Total	**168.54**	42.31

24 Operational Expenses

	Year ended March 31, 2018	Year ended March 31, 2017
Programming Costs	**21,159.80**	17,183.95
Marketing and Advertisement Costs	**3,669.49**	2,787.61
Transmission and Uplinking Costs	**1,059.16**	1,052.13
License Fees	**261.79**	260.01
Other Distribution Costs	**2,245.35**	1,981.36
Total	**28,395.59**	23,265.06

25 Employee Benefits Expense

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, Allowances and Bonus	**3,773.67**	3,236.51
Contribution to Provident and Other Funds [Refer note 25.1 below]	**148.73**	125.41
Gratuity [Refer note 25.2 below]	**96.59**	27.36
Staff Welfare Expenses	**251.40**	154.17
Total	**4,270.39**	3,543.45

25.1 Defined Contribution Plans

The Company's defined contribution plans are provident fund and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952).

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :	March 31, 2018	March 31, 2017
Employer's Contribution to Provident Fund	**148.73**	125.41

25.2 Defined Benefit Plans

The Company provides long-term benefits in the nature of Gratuity to its employees. In case of funded schemes, the funds are recognised by the Income tax authorities and administered through appropriate authorities/insurers. The Company's defined benefit plans include gratuity benefit to its employees which is funded through the Life Insurance Corporation of India and PNB Met Life.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Funded)	
	March 31, 2018	**March 31, 2017**
Defined Benefit obligation at beginning of the year	**175.31**	133.67
Current Service Cost	**37.23**	23.68
Past Service Cost	**52.41**	-
Interest Cost	**12.79**	8.72
Actuarial (Gain)/Loss	**(5.63)**	22.71
Benefits Paid	**(8.41)**	(13.47)
Defined Benefit obligation at year end	**263.70**	175.31

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

	Gratuity (Funded)	
	March 31, 2018	**March 31, 2017**
Fair value of Plan assets at beginning of the year	**80.07**	66.63
Expected return on plan assets	**5.84**	5.04
Actuarial gain / (loss)	**1.33**	(0.30)
Contributions by employer	**23.70**	19.10
Benefits Paid	**(8.41)**	(10.40)
Fair value of Plan assets at year end	**102.53**	80.07

(iii) Reconciliation of fair value of assets and obligations

	Gratuity (Funded)	
	March 31, 2018	**March 31, 2017**
Present Value of Defined Benefit Obligation	**263.70**	175.31
Less: Fair Value of Plan Assets	**(102.53)**	(80.07)
Amount recognised as liability	**161.17**	95.24

(iv) Expenses recognised during the year

	Gratuity (Funded)	
	March 31, 2018	**March 31, 2017**
Current Service Cost	**37.23**	23.68
Past Service Cost	**52.41**	-
Interest Cost	**12.79**	8.72
Expected return on plan assets	**(5.84)**	(5.04)
Actuarial (gain) / loss recognised in OCI	**(6.96)**	23.02
Net Cost	**89.63**	50.37

(v) Investment details of Plan Assets

100% of the Plan Assets are in the form of funds managed by LIC and PNB Met Life and they do not provide breakup of plan assets by investment type.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

Particulars	March 31, 2018	March 31, 2017
Funds Managed by LIC	**102.53**	79.82
Funds Managed by PNB Met Life	**-**	0.25
Total	**102.53**	80.07

(vi) Actuarial Assumptions

	Gratuity (Funded)	
	March 31, 2018	March 31, 2017
Discount Rate (p.a.)	**7.81%**	7.30%
Expected Rate of Return on Plan Assets (p.a.)	**7.81%**	7.30%
Rate of escalation in salary (p.a.)	**12.00%**	12.00%
Attrition Rate	**11.00%**	11.00%

The discount rates reflect the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

(vii) Amounts recognised in current year and previous four years

Gratuity	March-18	March-17	March-16	March-15	March-14
Defined Benefit Obligation	**263.70**	175.31	133.67	86.25	65.97
Fair value of plan assets	**102.53**	80.07	66.63	55.32	31.74
(Surplus) / Deficit in the plan	**161.17**	95.24	67.04	30.93	34.23
Actuarial (gain) / loss on plan obligation	**(5.63)**	22.71	19.79	4.64	10.55
Actuarial (gain) / loss on plan assets	**(1.33)**	0.30	0.12	(1.74)	(0.24)

(viii) Sensitivity Analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	March - 18	
	Defined benefit obligation	
	Increase in assumption	Decrease in assumption
Discount rate (0.5% movement)	**(9.06)**	**9.66**
Future salary appreciation (0.5% movement)	**6.02**	**(5.97)**
Attrition rate (0.5% movement)	**(1.27)**	**1.31**

	March - 17	
	Defined benefit obligation	
	Increase in assumption	Decrease in assumption
Discount rate (0.5% movement)	(6.05)	6.46
Future salary appreciation (0.5% movement)	3.40	(3.38)
Attrition rate (0.5% movement)	(0.66)	0.66

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

26 Finance Costs

	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense on borrowings	**478.31**	554.22
Other financial charges	**22.62**	45.59
Total	**500.93**	599.81

27 Depreciation and Amortisation Expense

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property, Plant and Equipments (Refer Note 3)	**465.85**	329.80
Amortisation on Intangible Assets (Refer Note 3)	**238.11**	172.56
Total	**703.96**	502.36

28 Other Expenses

	Year ended March 31, 2018	Year ended March 31, 2017
Rent	**416.48**	402.47
Rates and taxes	**17.98**	39.56
Telephone and fax	**47.69**	51.89
Power and fuel	**77.84**	61.82
Insurance	**4.12**	3.88
Repairs to buildings	**90.80**	70.87
Repairs to plant and machinery	**175.19**	105.50
Repairs - others	**172.00**	67.05
Printing and stationery	**27.87**	25.85
Postage and freight	**3.73**	4.90
Legal and professional fees	**441.11**	436.22
Payment to Auditors		
– Audit fees	**9.40**	9.40
– Certification fees/Other services	**3.00**	4.38
– Reimbursement of Expenses	**0.06**	0.04
Travel, Conveyance and Accommodation	**320.37**	410.44
Net (Gain) / Loss on foreign currency transactions and translations	**(11.08)**	40.28
Provision for doubtful trade receivables and advances (net)	**104.86**	(131.47)
Bad debts and advances written off	**74.74**	423.08
Corporate Social Responsility Expenses (Refer Note 38)	**29.61**	32.88
Directors Sitting Fees and Commission	**3.80**	4.66
Miscellaneous expenses	**57.50**	84.18
Total	**2,067.07**	2,147.88

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

29 Income Tax Expense

A reconciliation of the Income tax expenses to the amount computed by applying the statutory income tax rate to income before income tax expense is summarised below:

Particulars	**Year ended March 31, 2018**	Year ended March 31, 2017
Profit before tax	**1,084.83**	348.71
Enacted tax rates (MAT)	**21.34%**	21.34%
Computed tax charge / (benefit)	**231.50**	74.41
Expenses claimed / not claimed in tax and others	**25.65**	(31.90)
Income Tax charge	**257.15**	42.50

30 Earnings Per Equity Share (EPS)

	Year ended March 31, 2018	Year ended March 31, 2017
Profit for the year	**827.68**	306.21
Weighted average number of equity shares outstanding (Nos.) for basic and diluted EPS	**113,730,248**	113,730,248
Nominal value of shares (Rs.)	**10.00**	10.00
EPS		
Basic earning per share (Rs.)	**7.28**	2.69
Diluted earning per share (Rs.)	**7.28**	2.69

31 Contingent Liabilities (to the extent not provided for)

	As at March 31, 2018	As at March 31, 2017
Claims against the Company not acknowledged as debts:		
Legal matters:		
i. Case filed against the Company for infringement of literary and copyrights right	**30.00**	30.00
ii. Cases filed against the Company in distribution business matters and other matters	**117.13**	117.43
Taxation matters:		
i. Income Tax *	**989.36**	2,202.83
ii. Service Tax ^	**448.29**	448.29
iii. VAT & CST $	**101.85**	119.64
iv. Entertainment Tax #	**53.13**	53.13
Corporate Guarantee given by the Company	**194.40**	194.40

(a) The Company is confident of successfully contesting the aforesaid and does not expect any substantial cash outflow.

(b) The Company does not expect any reimbursements in respect of the above contingent liabilities.

* Income tax demands mainly relate to Assessment Years 2005-06 to 2014-15 and include appeals filed by the Company before various appellate authorities against the disallowance of expenses / claims, non-deduction / short deduction of tax at source etc.

^ Service tax relate to Financial Years 2005-06 to 2011-12 and pertain to notices received for levying of service tax on reimbursement of expenses received from overseas companies and commission income earned/transponder costs.

$ VAT and CST demands mainly relate to Financial Years 2005-06 to 2014-15 and include appeals filed by the Company before various authorities against exparte order, disallowance of claims, determination of turnover etc.

Demands towards Entertainment tax for Assessment Years 2014-15 and 2016-17.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

32 Capital and other commitments

		As at March 31, 2018	As at March 31, 2017
(a)	**Capital Commitments**		
	The estimated value of contracts on capital account remaining to be executed and not provided for;	**118.54**	266.80
(b)	**Other Commitments**		
	The Company has entered into certain non-cancellable agreements with vendors, the cancellation of which will entail substantial monetary compensation.	**255.57**	494.92

33 As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements.

34 Related Party Disclosures

(a) Names of related parties and nature of relationship:

Sr. No.	Name of the Related Party	Relationship
1	MTV Asia Ventures (India) Pte. Ltd., Mauritius (42% Share holder) #	Joint Venturers
2	TV18 Broadcast Limited (50% Share holder) *	
3	Nickelodeon Asia Holdings Pte Ltd. Singapore (8% Share holder) #	
4	TV18 Broadcast Limited (51% Share holder) *	Parent Company
5	MTV Asia Ventures (India) Pte. Ltd., Mauritius (41% Share holder) #	Significant Influence over the Company
6	Nickelodeon Asia Holdings Pte Ltd. Singapore (8% Share holder) #	
7	Reliance Industries Limited (RIL)	Beneficiary / Protector of Independent Media Trust
8	Viacom18 US Inc	Subsidiary Companies
9	Viacom18 Media (UK) Ltd.	
10	Roptonal Limited, Cyprus	
11	Indiacast Media Distribution Private Limited	Joint Venture Entity
12	IndiaCast US Ltd	Subsidiaries of Joint Venture Entity
13	IndiaCast UK Ltd	
14	Network18 Media & Investments Limited	Holding Company of the Parent
15	AETN18 Media Private Limited	Fellow Subsidiaries and Associates
16	Panorama Television Private Limited	
17	IBN Lokmat News Private Limited	
18	Eenadu Television Private Limited	
19	Colosceum Media Pvt Ltd	
20	TV18 Home Shopping Network Ltd	
21	Bigtree Entertainment Pvt Ltd	
22	Sudhanshu Vats [CEO]	Key Management Personnels
23	Soumen Ray [CFO - from April 15, 2016]	
24	Narayan Ranjan [CFO - upto April 14, 2016]	
25	Sujeet Jain [CS]	

\# Upto February 28, 2018, these entities were accounted as Joint Venturers and w.e.f. March 1, 2018, the same were accounted under as entities having significant influence over the company.

* Upto February 28, 2018, these entities were accounted as Joint Venturers and w.e.f. March 1, 2018, the same were accounted under as Parent Company.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

(b) Details of balances and transactions during the year with related parties:

Sr No	Particulars	Parent Company	Subsidiaries company	Joint Venture and its subsidiaries	Fellow Subsidiaries and Associates	Holding Company of the Company's Parent	Significant Influence over the Compan	Key Managerial Personnels
	Transactions during the year							
	Income from operations and other income							
	TV18 Broadcast Ltd.	6,783.07	-	-	-	-	-	-
		(5,928.07)	-	-	-	-	-	-
	IndiaCast Media Distribution Private Limited	-	-	1,816.48	-	-	-	-
		-	-	(1,562.83)	-	-	-	-
	Indiacast US Ltd	-	-	117.64	-	-	-	-
		-	-	(119.98)	-	-	-	-
	Indiacast UK Ltd	-	-	1,141.70	-	-	-	-
		-	-	(924.19)	-	-	-	-
	Eenadu Television Private Limited	-	-	-	4.03	-	-	-
		-	-	-	-	-	-	-
	Nickelodeon Asia Holdings Pte Ltd.	-	-	-	-	-	11.40	-
		-	-	-	-	-	-	-
	Expenditure for services received							
	TV18 Broadcast Ltd.	129.11	-	-	-	-	-	-
		(116.60)	-	-	-	-	-	-
	IBN Lokmat News Private Limited	-	-	-	2.36	-	-	-
		-	-	-	(5.07)	-	-	-
	IndiaCast Media Distribution Private Limited	-	-	5.72	-	-	-	-
		-	-	(29.80)	-	-	-	-
	Colosceum Media Pvt Ltd	-	-	-	27.97	-	-	-
		-	-	-	-	-	-	-
	Network18 Media & Investments Limited	-	-	-	-	2.42	-	-
		-	-	-	-	-	-	-
	Eenadu Television Private Limited	-	-	-	3.88	-	-	-
		-	-	-	-	-	-	-
	Reimbursement of expenses (paid)							
	TV18 Broadcast Ltd.	30.09	-	-	-	-	-	-
		(40.25)	-	-	-	-	-	-
	IndiaCast Media Distribution Private Limited	-	-	1,900.80	-	-	-	-
		-	-	(1,794.26)	-	-	-	-
	Indiacast UK Ltd	-	-	49.44	-	-	-	-
		-	-	(24.61)	-	-	-	-
	Indiacast US Ltd	-	-	0.35	-	-	-	-
		-	-	(2.24)	-	-	-	-
	Reimbursement of expenses (received)							
	IndiaCast Media Distribution Private Limited	-	-	0.15	-	-	-	-
		-	-	(1.07)	-	-	-	-
	AETN18 Media Private Limited	-	-	-	1.81	-	-	-
		-	-	-	-	-	-	-
	Remuneration							
	Managerial Remuneration	-	-	-	-	-	-	140.81
		-	-	-	-	-	-	(298.15)

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

Sr No Particulars	Parent Company	Subsidiaries company	Joint Venture and its subsidiaries	Fellow Subsidiaries and Associates	Holding Company of the Company's Parent	Significant Influence over the Compan	Key Managerial Personnels
Investment in Compulsory Convertible Debentures	-						
IndiaCast Media Distribution Private Limited	-	-	400.00	-	-	-	-
	-	-	(400.00)	-	-	-	-
Investment in Joint Venture							
IndiaCast Media Distribution Private Limited	-	-	73.42	-	-	-	-
	-	-	(73.42)	-	-	-	-
III. Balances at year end							
Payables							
TV18 Broadcast Ltd.	325.53	-	-	-	-	-	-
	(196.88)	-	-	-	-	-	-
I BN Lokmat News Private Limited	-	-	-	-	-	-	-
	-	-	-	(0.63)	-	-	-
Roptonal Limited	-	784.56	-	-	-	-	-
	-	(784.56)	-	-	-	-	-
IndiaCast Media Distribution Private Limited	-	-	1,175.11	-	-	-	-
	-	-	(109.09)	-	-	-	-
INDIACAST UK LTD	-	-	20.89	-	-	-	-
	-	-	(0.08)	-	-	-	-
INDIACAST US LTD	-	-	0.15	-	-	-	-
	-	-	(2.24)	-	-	-	-
Network18 Media & Investments Limited	-	-	-	-	30.70	-	-
	-	-	-	-	-	-	-
Colosceum Media Pvt Ltd	-	-	-	-	44.45	-	-
	-	-	-	-	-	-	-
Bigtree Entertainment Pvt Ltd	-	-	-	-	0.40	-	-
	-	-	-	-	-	-	-
Receivables	-						
Viacom18 Media (UK) Limited	-	74.33	-	-	-	-	-
	-	(65.15)	-	-	-	-	-
Viacom18 US Inc.	-	70.41	-	-	-	-	-
	-	(70.19)	-	-	-	-	-
TV18 Broadcast Ltd.	4,053.67	-	-	-	-	-	-
	(2,890.05)	-	-	-	-	-	-
TV18 Broadcast Ltd. (Security Deposit)	4.58	-	-	-	-	-	-
	(4.58)	-	-	-	-	-	-
IndiaCast Media Distribution Private Limited	-	-	364.85	-	-	-	-
	-	-	(199.03)	-	-	-	-
Indiacast US Ltd	-	-	19.78	-	-	-	-
	-	-	(9.46)	-	-	-	-
Indiacast UK Ltd	-	-	501.66	-	-	-	-
	-	-	(325.07)	-	-	-	-
AETN18 Media Private Limited	-	-	-	1.96	-	-	-
	-	-	-	-	-	-	-
Network18 Media & Investments Limited	-	-	-	-	0.42	-	-
	-	-	-	-	-	-	-
TV18 Home Shopping Network Ltd	-	-	-	-	38.68	-	-
	-	-	-	-	-	-	-
Bigtree Entertainment Pvt Ltd	-	-	-	-	94.16	-	-
	-	-	-	-	-	-	-
Eenadu Television Private Limited	-	-	-	1.14	-	-	-

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

Sr No	Particulars	Parent Company	Subsidiaries company	Joint Venture and its subsidiaries	Fellow Subsidiaries and Associates	Holding Company of the Company's Parent	Significant Influence over the Compan	Key Managerial Personnels
		-	-	-	-	-	-	-
	Nickelodeon Asia Holdings Pte Ltd	-	-	-	-	-	8.47	-
		-	-	-	-	-	-	-
	Advances							
	Viacom18 Media (UK) Limited	-	1.63	-	-	-	-	-
		-	(1.62)	-	-	-	-	-
	Viacom18 US Inc.	-	1.63	-	-	-	-	-
		-	(1.62)	-	-	-	-	-

(c) Figures in bracket are in respect of previous year.

35 Leases

As a lessee - Operating Lease

The Company has taken premises on operating lease basis. These lease arrangements are for a period upto 9 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

	Year ended March 31, 2018	Year ended March 31, 2017
With respect to all operating leases:		
Lease payments recognised in the Statement of Profit and Loss during the year	**416.48**	402.47
With respect to non-cancellable operating leases,		
the future minimum lease payments are as follows:		
	As at	As at
	March 31, 2018	March 31, 2017
Not later than one year	**86.72**	271.29
Later than one year and not later than five years	**21.84**	77.22
	108.56	348.51

36 The Hon'ble High Court of Judicature at Bombay, on August 12, 2016, approved the Scheme of Amalgamation & Arrangement ("the Scheme") between Prism TV Private Limited ("Prism") which is engaged in the business of production of programs and broadcasting satellite television channels in various regional languages, and Viacom 18 Media Private Limited ("Company") and their respective Shareholders and Creditors. The said Order was filed with the Office of Registrar of Companies, Mumbai on September 1, 2016 ("the Effective Date"). Pursuant to the Scheme, all the assets and liabilities of Prism has been transferred to the Company at their respective fair values on April 1, 2015 ("the Appointed Date"). The Scheme was given effect to in the financial statements for the year ended March 31, 2016 prepared under the previous GAAP. The accounting treatment as prescribed in the Scheme approved by the Hon'ble High Court has been reflected in the opening financial statements as at April 1, 2015.

During the previous year, consequent to the Scheme becoming effective, 18,192,666 Equity Shares of Rs. 10/- each at premium of Rs. 1,053 and 2,078 0.001% Optionally Convertible Non- Cumulative Redeemable Preference shares of Rs. 10/- each at premium of Rs.585 have been issued to the shareholders of Prism and/or nominees from the share suspense of Rs. 19,340.04 million.

Subsequent to the issue of shares, as per clause 12 of the Scheme, during the previous year, the balance of goodwill of Rs. 13,351.70 million has been adjusted against the balance lying in the securities premium reserve.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

37 Business Reconstruction Reserve

The Board of Directors of the Company passed a resolution approving the capital reduction under the provisions of the Companies Act, 1956 on November 19, 2013. Further, the Shareholders of the Company approved the capital reduction in the extra ordinary general meeting convened by the Company on November 21, 2013. The Hon'ble Bombay High Court approved the said capital reduction vide its Order dated January 24, 2014 and the Order of the Hon'ble Bombay High Court has been filed with the Registrar of Companies on March 19, 2014. Accordingly, in pursuance to the capital reduction scheme, the balance lying to the credit of Securities Premium Account to the extent of Rs. 8007.40 million as determined by the Board of Directors has been transferred to Business Reconstruction Reserve ("BRR") Account.

As per the said Order, the amount standing to the credit of BRR Account shall be utilized towards expenses and losses including, but not limited to, impairment/ amortisation of goodwill and other assets, stamp duty, interest and other financial charges, etc. payable by the Company in connection with the business/asset acquisition by the Company, as well as write off of accumulated debit balance of the Profit and Loss Account of the Company.

During the previous year, the Company has adjusted expenses amounting to Rs. 401.50 million towards write down of inventory and write off of advances given towards stalled projects.

Further, goodwill arising on amalgamation of Prism with the Company described in Note 36 above is being amortised over a period of 5 years. An amount equivalent to the charge of Rs. 890.11 million in the previous year has been adjusted against BRR.

38 Expenses towards Corporate Social Responsility

		Year ended March 31, 2018	Year ended March 31, 2017
(a)	Gross amount required to be spent by the company during the year.	**28.99**	32.20
(b)	Amount spent during the year on:		

As at March 31, 2018

Sr. No.	Particulars	In Cash/Chq/Transfer	Yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	29.61	-	29.61

As at March 31, 2017

Sr. No.	Particulars	In Cash/Chq/Transfer	Yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	30.00	2.88	32.88

39 Capital Redemption Reserve ("CRR")

During the current year, the Company has redeemed 4,078, 0.001% Optionally Convertible Non-Cumulative Redeemable Preference Shares ("OCRPS") of Rs. 10/- each held by TV18 Broadcast Limited by way of cash at the price at which such OCRPS were issued (ie Rs. 595 per OCRPS) aggregating to Rs. 2.43 million.

In accordance with provisions of section 55 of Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, the Company has transferred an amount equal to the nominal amount of the shares to be redeemed to Capital Redemption Reserve Account, amounting to Rs. 0.04 million.

40 Capital risk management

The Company's objectives when managing capital is to safeguard continuity as a going concern and provide adequate return to shareholders through continuing growth and maintain an optimal capital structure to reduce the cost of Capital. The Company sets the amount of capital required on the basis of annual business plan and long-term operating plans which include capital investments. The funding requirements are primarily met through judicious mix of long-term and short-term borrowings. The Company monitors capital on basis of total debt to total equity on a periodic basis.

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

The following table summarizes the capital of the Company:

	As at March 31, 2018	As at March 31, 2017
Long term borrowings (including current maturities)	**74.43**	641.52
Short term borrowings	**5,703.89**	6,164.36
0.001% Optionally Convertible Non- Cumulative Redeemable Preference shares.	**-**	2.43
Total Debt	**5,778.32**	6,808.31
Equity Share Capital	**1,137.30**	1,137.30
Other Equity	**11,378.03**	10,543.39
Total Equity	**12,515.33**	11,680.69
Debt Equity Ratio	**46%**	58%

41 Financial Risk Management

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors of the Company manage and review the affairs of the Company by setting up short term and long term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

(a) Market risk

The Company is primarily exposed to the following market risks.

(i) Currency risk

The Company is exposed to currency risk on receivables and payables that are denominated in foreign currencies.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows;

Particulars		**As at March 31, 2018**		**As at March 31, 2017**	
	Foreign Currency Denomination	**Foreign Currency (In Millions)**	**Rupee Equivalent (In Millions)**	**Foreign Currency (In Millions)**	**Rupee Equivalent (In Millions)**
Trade Receivables	GBP	**2.36**	**217.58**	1.85	149.99
	EURO	**0.07**	**6.01**	0.13	8.98
	USD	**16.03**	**1,042.90**	13.96	905.42
	CAD	**0.27**	**13.68**	0.35	16.95
	RMB	**-**	**-**	0.001	0.01
Advance from customers	EUR	**0.29**	**23.10**	0.28	19.37
	GBP	**0.00**	**0.15**	-	-
	USD	**1.65**	**107.50**	0.96	62.54
Trade Payables	AUD	**0.005**	**0.24**	0.005	0.24
	EURO	**0.001**	**0.06**	0.001	0.05
	GBP	**0.22**	**20.09**	0.13	10.51
	SGD	**0.002**	**0.11**	0.03	1.48
	USD	**1.42**	**92.27**	2.69	174.50
	AED	**0.02**	**0.31**	0.04	0.70
Advances	EURO	**0.01**	**0.89**	0.11	7.92
	GBP	**0.001**	**0.08**	0.01	0.48
	USD	**0.05**	**3.49**	0.29	19.05

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

(b) **Credit Risk**

Credit risk refers to the risk that the counter party will default on its contractual obligation resulting in financial loss to the Company. The Company has adopted a policy of dealing with only credit worthy counter parties. This risk principally arises from credit exposures to customers, deposits with banks and financial institutions and other receivables.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables mainly consist of advertisement sales, subscription income and other streams of revenue. The Company has a dedicated Credit and Control team primarily responsible for monitoring credit risk and receivables. They monitor outstanding receivables along with ageing on periodic basis. For advertisement sales receivables which are past due, the Company approaches The Indian Broadcasting Federation to impose an embargo on the customer / agency. For receivables pertaining to other streams of revenues, the credit and collection team regularly follows up for the collection and in rare cases of long past due, legal proceeding for recovery is initiated.

Trade receivables consist of a large number of customers, representing diverse industries and geographical areas, hence the Company is not exposed to concentration risks.

(c) **Liquidity risk**

Liquidity risk refers to the risk that the Company may not be in a position to meet its financial obligations timely.

Management monitors rolling forecasts of the Company's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The table below analyses the maturity profile of the Company's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2018	**Less than 1 year**	**Between 1 and 5 years**
Long term and short term borrowings	5,729.24	49.08
Interest accrued but not due	0.46	-
Trade Payables and accruals	15,036.37	-
Total	**20,766.07**	**49.08**

As at March 31, 2017	**Less than 1 year**	**Between 1 and 5 years**
Long term and short term borrowings	6,774.36	31.52
Interest accrued but not due	10.75	-
Trade Payables and accruals	10,409.43	-
Total	**17,194.54**	**31.52**

The total secured short term borrowing facility available to the Company is Rs. 12,250 million (Rs. 11,750 million as at March 31, 2017) and undrawn borrowing facility is Rs. 8,670 million (Rs. 7,910 million as at March 31, 2017)

Notes to the Financial Statements for the year ended March 31, 2018

(All amounts in Rs. million, unless otherwise stated)

42 Fair Value Measurements

	As at March 31, 2018	As at March 31, 2017
Investments	**3,659.53**	3,659.53
Trade Receivables	**11,500.96**	8,219.96
Cash and cash equivalents	**720.24**	286.43
Other Bank balances	**3.06**	6.06
Other financial assets	**696.74**	344.01
Total	**16,580.53**	12,515.99

Financial Liabilities	**As at March 31, 2018**	As at March 31, 2017
Borrowings	**5,752.97**	6,195.88
Trade Payables	**15,036.37**	10,409.43
Other financial liabilities (Including current maturities of long term borrowings)	**25.81**	623.18
Total	**20,815.15**	17,228.49

The fair values of the above financial assets and liabilities approximates their carrying amounts.

43 The financial statements were approved for issue by the board of directors on April 16, 2018.

In terms of our report attached

For Deloitte Haskins and Sells LLP
Firm Registration No: 117366W/W-100018
Chartered Accountants

Abhijit A. Damle
Partner
Membership No: 102912

Mumbai
Date : April 16, 2018

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

K. R. Raja
Director
DIN : 00006673

Soumen Ray
Chief Financial Officer

Sujeet Jain
Company Secretary

Mumbai
Date : April 16, 2018

Mumbai
Date : April 16, 2018