August 27, 2018

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

BSE Limited
Department of Corporate Service - Listing
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400 001

**Trading Symbol : "NETWORK18"** **Script Code : 532798**

**Sub : Submission of Annual Report for the Financial Year 2017-18**

Dear Sir/Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the Financial Year 2017-18, adopted in the Annual General Meeting held on August 24, 2018.

You are requested to take the same on record.

Thanking you,

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

**Ratnesh Rukhariyar**
**Group Company Secretary**

Encl : As above

Network 18

# Fuelled for the Future




## Annual Report 2017-18

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WWW

To view the online version of this report or for other information log on to:
**www.network18online.com**

Breaking News.
Spectacular Events.
Path-breaking Stories.
Genre-defining Shows.
The pulse of the country.

## INFORMATION. ENTERTAINMENT. IMPACT.

Network18 has grown to be one of the leaders in the highly competitive media and entertainment landscape in India, in a relatively short span of time and with no legacy brands backing it. Its diversified offerings span television broadcasting (across news and entertainment), digital (both content and commerce), print, and allied businesses. Our content engages millions on a daily basis, cutting across genres, geographies and mediums. We touch hearts through our entertaining and emotive shows with the same aplomb as we open minds by our insightful and impactful news.

We are consistently expanding the vistas for the Indian viewer, and pride ourselves in a balanced approach towards both content and intent, a pan-India presence, and the broadest slate of impact-creating properties in the industry. Our success is the by-product of an unflinching pursuit **to shape the future of media and entertainment.**

**We are always,**

# Fuelled for the Future

# A MESSAGE FROM THE CHAIRMAN



*Dear Shareholders,*

"In FY 2017-18, Network18 continued to invest in media – both TV and emerging media and repositioned itself for the continually changing market"

## THE YEAR IN RETROSPECT

FY 2017-18 was in many ways a year of continued investment in growth areas, while we consolidated certain businesses. I am very proud to state that Network18 TV channels now touch the lives of 70 crore Indians, representing 90% of the television universe. Our broadcast subsidiary TV18 made a strategic investment to acquire 1% additional stake in the Viacom18 entertainment JV, taking its overall stake to 51%, and gaining operational control. The move epitomises our belief that in the rapidly evolving media and entertainment landscape, TV18 and affiliates will be instrumental in driving synergies and increasing agility across the multi-platform group.

In another strategic move, we consolidated the operations of another leading home-shopping player ShopCJ under the HomeShop18 umbrella, creating India's largest home-shopping entity. The merger brings benefits of scale and synergy, necessary to withstand competition. Following this, Homeshop18 ceases to be a subsidiary of your Company; nevertheless, Network18 will continue to be the largest shareholder.

Two launches were made around the end of the financial year – Colors Tamil in February 2018 and the digital destination of CNBC-TV18 in April 2018. With fresh subjects and cinematic quality content, Colors Tamil has already begun to make its presence felt in a highly competitive market, garnering 5% viewership share. The CNBC-TV18.com/CNBC-TV18 app are digital companions to our leading channel CNBC-TV18, and will be our premium digital platform offering business news and information.

March 2018 witnessed an important transition for your Company when all the general news channels were clubbed together under one mega brand – News18. Unveiled at the highly prestigious Rising India Summit, in the presence of Honourable Prime Minister of India and other dignitaries, the unification marked News18's journey to become one of the largest news network brands in the world.

During the year, we had created a platform for state-level dialogues between political leaders and common people under the 'Rising Series', and the Rising India Summit was the grand culmination of that series.

## THE FUTURE BECKONS

As we move ahead, we are geared up for the next phase of growth, which we believe will come from two key areas: increasing consumption of content on digital platforms and surge in regional viewership.

As per a FICCI-EY report, the online video consuming audience has grown by a massive 64% to 250 million users in 2017, and is estimated to double to 500 million users by 2020, driven by rapid smartphone penetration, growing Internet speeds and low data charges. Even news consumption on mobile is surging. As per ComScore, 177 million people consumed news digitally in April 2017. Being leaders in the digital space with best-in-class properties, which we continue to improve, we are favourably positioned to make the most of this opportunity. It is pertinent to mention here that one in every five Internet users in India use Network18's digital properties. Moneycontrol is by far the largest finance platform; News18.com commands 40% more engagement than competitors; on Firstpost, users spend 64% more time than competitors on every mobile visit; and VOOT has 35 million active users with average stickiness of 40+ minutes. These numbers exemplify our digital might and we remain focussed on creating more digital-first content and promoting fresh ideas to woe diverse consumer preferences.

The industry is witnessing the trend of rising consumer preference for regional content. Towards this, we have made significant inroads. We have the largest regional news network, comprising 14 channels in 15 languages and covering 26 states. In our entertainment portfolio as well, we are filling important white spaces and already have 7 regional entertainment channels across six geographies, with a mix of localised and dubbed content.

We will continue to invest to get to an overall leadership position in media.

## MESSAGE TO STAKEHOLDERS

Our proactive investments and initiatives and industry tailwinds in advertising make for an exciting FY 2018-19 and beyond. We will remain focussed towards rolling out richer and more engaging content along with accelerating pace of innovation to grow value for all stakeholders.

I extend my heartfelt gratitude to every employee of Network18, who with their passion and commitment have taken this organisation to greater heights. I also take this opportunity to thank all the directors and other stakeholders for their unrelenting trust in Network18.

Warm regards,

Adil Zainulbhai
Chairman



**One in every five Internet users in India uses Network18's digital properties**

# DIVERSE BRAND PORTFOLIO

- Business interests spread across television, digital content and commerce, movie production, print magazines, and allied businesses
- Partnerships with global media and entertainment leaders CNBC, CNN, Viacom Inc, A+E Networks, and Forbes
- Touching the lives of 70 crore people in India through television and millions more by our digital properties
- Unparalleled pan-India news coverage by 1,200 journalists, presented through top-notch anchors across 20 domestic channels in 26 states and 15 different languages
- Wide range of 33 entertainment channels across all genres (except Sports) spanning Hindi, English and 6 regional languages

## TELEVISION

### News

| Business News | General News | Regional News | | |
|---|---|---|---|---|
| CNBC TV18 | CNN NEWS18 | NEWS18 বাংলা | NEWS18 बिहार झारखंड | NEWS18 पंजाब हरियाणा हिमाचल |
| CNBC आवाज़ | NEWS18 इंडिया | NEWS18 ગુજરાતી | NEWS18 मध्यप्रदेश छत्तीसगढ़ | NEWS18 കേരളം |
| CNBC बज़ार | NEWS18 | NEWS18 ಕನ್ನಡ | NEWS18 राजस्थान | NEWS18 অসম |
| CNBC TV18 PRIME HD | | NEWS18 ଓଡ଼ିଆ | NEWS18 उत्तरप्रदेश उत्तराखंड | NEWS18 लोकमत |
| | | NEWS18 தமிழ்நாடு | NEWS18 اردو | |

Diverse Brand Portfolio

## Entertainment

| Hindi General Entertainment | Regional Entertainment | English Entertainment | Infotainment | Youth and Music |
|---|---|---|---|---|
| colors | colors ಕನ್ನಡ | VH1 | HISTORY TV18 | MTV |
| rishtey | colors SUPER | Comedy Central | fyi, TV18 | MTV BEATS |
| **Hindi Films** | colors मराठी | colors INFINITY | | |
| rishtey CINEPLEX | colors ગુજરાતી | **Kids Entertainment** | | |
| | colors বাংলা | nickelodeon | | |
| | colors ଓଡ଼ିଆ | sonic | | |
| | colors தமிழ் | nick jr. | | |
| | | nick HD+ | | |

### PUBLICATIONS

Forbes India
OVERDRIVE
better interiors
Better Photography

### FILM PRODUCTION AND DISTRIBUTION

VIACOM18 MOTION PICTURES

### CONTENT ASSET MONETISATION

IndiaCast a TV18 & Viacom18 Venture

### DIGITAL

**Digital Content**

| Business & Finance | News & Opinions | Entertainment & VOD |
|---|---|---|
| moneycontrol | NEWS18.com | in.com |
| CNBC TV18 CNBCTV18.COM | FIRSTPOST. | voot |

**Digital Commerce**

bookmyshow | HOMESHOP18 | yatra

### ALLIED BUSINESSES

Capital 18
COLOSCEUM MEDIA PRIVATE LTD
TOPPER LEARNING Get More Marks

# THE FUTURE IS OURS TO SHAPE

## What makes Network18 fuelled for the future

### Innovative content

Our channels offer differentiated and innovative content, catering to all the major genres

### Diverse platforms

A multi-platform presence lets us deliver this innovative content to target audiences everywhere

### Brand recall

Alongside content delivery, we focus on brand-building through technology and relevant packaging

### Fresh ideas

Our leading programmes are designed to inspire new thought processes and new ideas

### People power

A collaborative, engaging and learning environment results in excellence at all levels

# HIGHLIGHTS, FY 2017-18

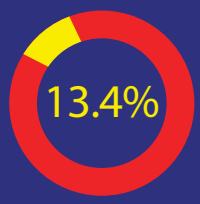
Took operational control in entertainment joint venture Viacom18 and raised stake to 51%

**HomeShop18** acquired peer Shop CJ to become the largest home-shopping entity in India

**News18 regional network –** Completed re-branding of all 14 regional news channels under the News18 umbrella and emerged as India's largest regional news network, reaching out to 59.7 crore audiences

Launched Colors Tamil to fill vital white space in regional entertainment portfolio in South India

Launched **CNBCTV18.com and CNBCTV18 app** as a premium digital platform for CNBC- TV18 content



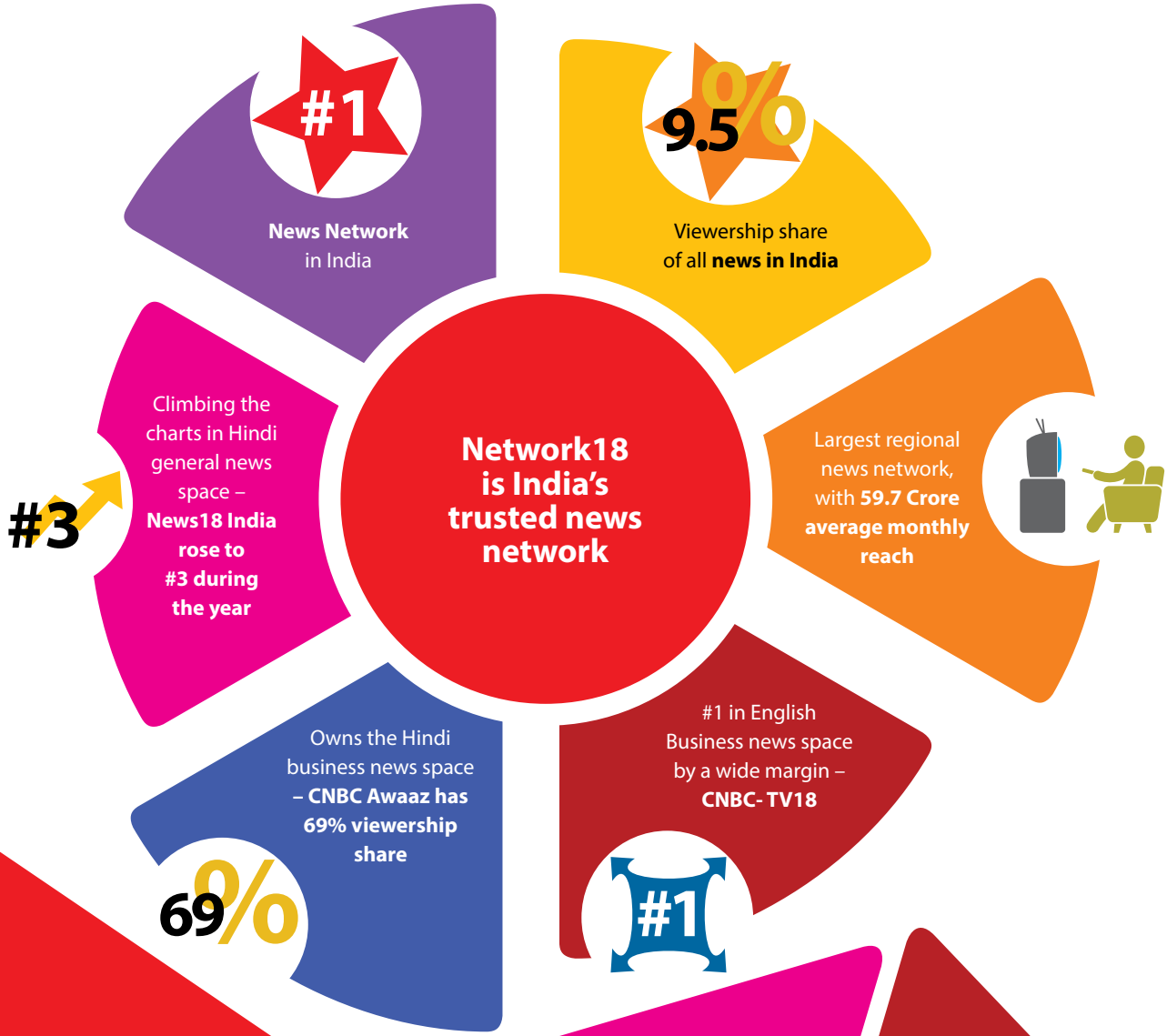

**Network18's broadcast arm TV18 is the 3rd largest broadcaster in the country, and with subsidiaries/ associates commands a 13.4% share of all television viewership.**

**1 in 5 internet users in India is on Network18's content websites or apps.**



# ANCHORING A BOLD COMMITMENT

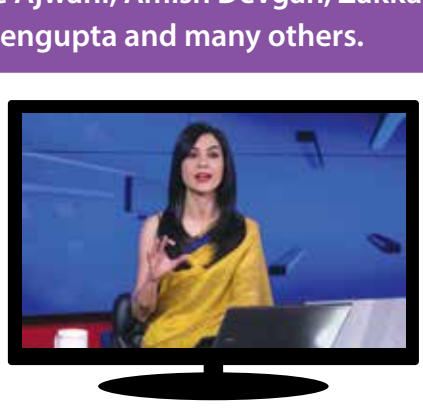
We are India's largest and broadest news network. Our viewers see us as bold, dynamic, dependable, intelligent, genuine and innovative. We are committed to delivering the most comprehensive news coverage, debates, market intelligence, expert analysis and opinions to inform and enlighten our viewers.



## FORMIDABLE TEAM OF NEWS ANCHORS

**Immersive coverage by our news anchors, who are some of the most well-known and impactful storytellers, positions us well to connect better with our audiences. Our reputed anchor team includes Shereen Bhan, Latha Venkatesh, Bhupendra Chaubey, Marya Shakil, Kishore Ajwani, Amish Devgan, Zakka Jacob, Vir Sanghvi, Anuradha Sengupta and many others.**













## LARGEST AND WIDEST NEWS NETWORK

**Our news portfolio has**

**4** Business News channels (2 in English, 1 each in Hindi and Gujarati)

**3** General News channels (2 English and 1 Hindi)

**14** Regional News channels, covering **26** states

Offering news in **15** languages

**Be it global, national or local news, we have it covered**

## HOSTING THE WORLD'S MOST POWERFUL PEOPLE

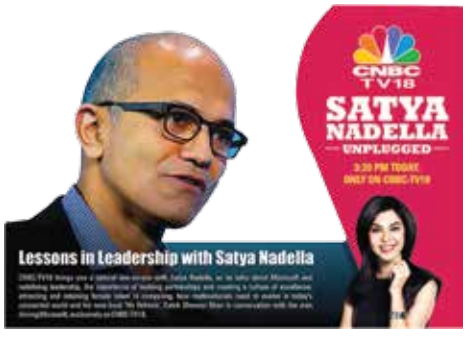
Our reach and influence is evident in the names we host in our studios, and the highly engaging and relevant conversations and debates we have with them.

**We ask right questions to the right people to get answers that the nation should know**










## INFLUENTIAL PEOPLE ON NETWORK18 PLATFORMS IN FY 2017-18

- **Narendra Modi,** Prime Minister of India
- **Reed Hastings,** CEO, Netflix
- **Dara Khosrowshahi,** CEO, Uber
- **Bill Gates,** Founder, Microsoft
- **Paul Krugman,** Economist
- **Satya Nadella,** CEO, Microsoft
- **Arun Jaitley,** Finance Minister
- **Nitin Gadkari,** Minister for Road Transport and Highways and Shipping
- **Rajnath Singh,** Home Minister
- **Nirmala Sitharaman,** Defence Minister
- **Suresh Prabhu,** Ministry of Commerce and Industry and Civil Aviation
- **A. M. Naik,** Group Executive Chairman, L&T Group
- **Dr. Rajiv Kumar,** Vice Chairman, NITI Aayog
- **Adi Godrej,** Chairman, Godrej Group





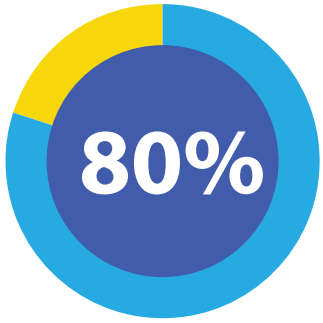



**Viewership share**

**of CNBC -TV18 for Budget day programming, making it bigger than all other English news channels put together**

**CONDUCTING MARQUEE PROGRAMMES**

Broad-spectrum programmes on big events such as the Union Budget and State elections are complemented by public interest sting operations and investigative stories. Viewers trust us and we work hard every day to remain close to their lives.




**viewership share**

of CNBC Awaaz on Union Budget day, which peaked to 90% during the Finance Minister's speech

# A CONFLUENCE OF PERSPECTIVES

With our marquee thought leadership platform, we have expanded our role as a responsible media and entertainment house through shows focussed on the country's development and promotion of talent.

## THE RISING SERIES

The Rising Series focussed on analysing the development of Indian states. Held across 11 states of India, it brought together politicians (ruling and opposition), bureaucrats, and other key stakeholders to discuss, debate and identify the roadmap for development in their respective states. Rising India was the culmination of this series.

**"We walk together, we move together, we think together, we resolve together, and together we take this country forward"**

***- Narendra Modi***
*Prime Minister, India*

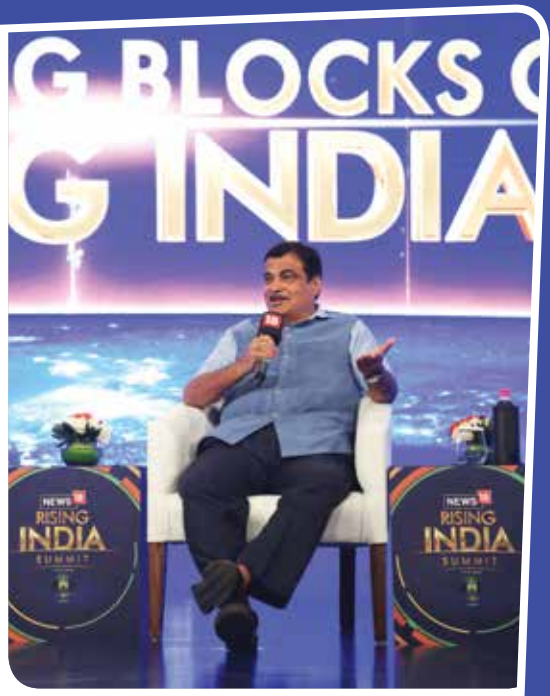



**News18 is now India's largest news network spanning across 26 states in 15 languages.**

## RISING INDIA SUMMIT

Rising series hosted in various states to bring about a dialogue between the government and its citizens on important and relevant issues. The event witnessed the launch of News18 Network, the bringing together of TV18's all the general news channels under one umbrella.


STAR
NEWS18
RISING
INDIA


G BLOCKS
G INDIA
NEWS18
RISING
INDIA
SUMMIT


OWER


RISING
INDIA


INDIA
SUMMIT




SUMMIT
RISING
INDIA



# EVOCATIVE SUBJECTS, IMMERSIVE EXPERIENCES

We work with the best writers, creators, actors and technical teams to create impactful content that appeals to all generations, especially the youth and children.






महाकाली
अंत ही आरंभ है
शुरु JULY 22
शनि-रवि. 7PM
colors
VIACOM 18


GATTU BATTU
FRIENDSHIP MAST,
JASOOSI ZABARDAST.
MON-FRI, 7 PM
nickelodeon

**TELEVISION ENTERTAINMENT**
**Hindi General Entertainment**

**Channel bouquet:**

- Colors
- FTA channel Rishtey
- FTA Hindi movie channel Rishtey Cineplex

Colors has been a pioneer in differentiated and disruptive content with its engaging program line-up. It ranked #1 amongst pay GECs for the FY 2017-18 ranking #1 across several weeks including strong leadership in last 13 consecutive weeks. Hosting fiction, non-fiction, reality, mythological and awards functions, it has been a preferred choice for viewers.

Rishtey and Rishtey Cineplex cater to the fast-growing FTA market, targeted substantially at rural and semi-urban geographies. Rishtey was ranked #3 Hindi General Entertainment channel and #4 in rural Hindi Speaking Market. Rishtey Cineplex, across several weeks ranked #2 out of 24 channels and #1 in the Rural Hindi Speaking Market.







**COLORS:**
**THE PREFERRED ENTERTAINMENT CHOICE FOR VIEWERS**

- ★ **KHATRON KE KHILADI & BIG BOSS –** Top 2 highest launch viewership and #1 weekend non-fiction shows
- ★ **RISING STAR – Highest rated non-fiction show across all GECs**
- ★ **MAHAKALI – Biggest impact and #1 mythological show since launch**
- ★ **SHAKTI, UDAN, TU ASHIQUI AND ISHQ MEIN MARJAWA – Regularly ranked among top 10 fiction shows**
- ★ **Hosted Filmfare, IIFA and Indian Television Academy Awards**

**Youth and Music**

**Channel bouquet:**

- MTV India
- 24 x 7 Bollywood Music Channel MTV Beats

**MTV is an iconic #1 Youth brand.** Having several new format programs and music shows, the brand is associated with youthfulness, innovativeness and is a pioneer of 'Branded Content'. It has introduced a new array of differentiated youth content through strategic partnerships with Super Fight League & U-Cypher. It has successfully created impactful and award-winning content and platforms for leading clients like Air BnB, Havells, HP, Nestle and Renault among others.




**45 million**
MTV fans on Facebook

**MTV Beats is the fastest growing music channel in the country**
with unique daily thematic play-listing.
In FY 2017-18, it garnered audience reach of 45 million.

**200 million**
viewers across TV and digital have watched MTV Beats' Baba Ki Chowki

**MTV:**
**THIS IS WHERE THE YOUTH CHILL**

- ★ **Successfully running series Splitsvilla X, Roadies Rising and India's Next Top Model S3 – #1 youth shows**
- ★ **New formats launched in FY 2017-18:**
  - **Dropout – World's first show to form a start-up on TV**
  - **Troll Police – India's first show that catches and confronts online 'trolls'**

**English Entertainment**

**Channel bouquet:**

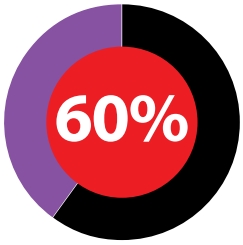
- Vh1
- Comedy Central
- Colors Infinity

**Vh1 ranked #1 English music channel in FY 2017-18,** bringing to Indian audiences the best of International music genres such as EDM, punk, rock, reggae, hip hop, pop and jazz among others. It also aired several reputed international music awards and talent hunting programs. It hosted a 'Ticket To Ride' Contest where one lucky winner got a once in a lifetime opportunity to watch 'The Grammys' Live at Madison Square Garden in New York City.

**Comedy Central,** India's first 24-hour English language comedy channel ranked #1 in its genre, airing marquee and popular shows.

**Colors Infinity ranked #3 in GEC with 100% viewership in FY 2017-18**, driven by its strong line-up of award-winning shows from international studios (NBC, Warner, FOX, CBS, Sony and Lions Gate) and homegrown shows.




**Our English entertainment bouquet commands ~60% market share in the English entertainment space**

## Kids Entertainment

### Channel bouquet:

- Nickelodeon
- Sonic
- Nick Jr.
- Nick HD+

**Nickelodeon** continues its dominance as #1 in the kids category since August 2014. The channel has been a pioneer in creating larger than life and 'one of a kind' properties like Nickelodeon Kids Choice Awards or the specially created for TV movies that consistently captivate audiences. It offers the unique proposition of connecting with kids through numerous touch points beyond TV.

**Sonic** with its combination of action and comedy shows and innovative tent pole engagements strikes the right chord with kids across the country. It is watched by over 10 million kids every week.

**Nick Jr.** with its unique proposition of education and entertainment reaches out to young parents and pre-schoolers. It has strengthened audience engagement through digital and on-ground activations. It is viewed by 6 million kids every week.

**Nick HD+** offers wide array of content in high definition from the local and international library of Nickelodeon along with telecasting exclusive shows.




## NICKELODEON'S STRONG CONNECT

- ★ **1.2 million average monthly page views on website**
- ★ **400 games and numerous videos to engage kids on website**
- ★ **2 million fans on Facebook**
- ★ **33 million kids touched**
- ★ **900 Indian schools covered through School Connect Programme**

## Regional Entertainment

### Channel bouquet:

- Colors Kannada
- Colors Bangla
- Colors Marathi
- Colors Gujarati
- Colors Oriya
- Colors Super
- Colors Tamil

Our regional channels continue to entertain, educate and enthral regional viewers through innovative and rooted content. **Colors Kannada and Colors Gujarati** are market leaders ranked #1 in respective language genres, while **Colors Marathi** (#2 Marathi language channel) and **Colors Bangla** have significantly grown in ratings. **Colors Oriya** continues to be among the top 3 Odia general entertainment channels in the market.

**Colors Tamil**, our seventh regional GEC, was launched in Feb 2018 in Tamil Nadu, India's largest vernacular market. Amidst high competition, its impactful programming has succeeded in carving 5% viewership share within a month of launch.




## Infotainment

### Channel bouquet:

- History TV18
- FYI TV18

**History TV18** ranked #2 in the factual entertainment genre in mega cities driven by its long-term strategy to showcase local content and create compelling path-breaking content. During the year, **History HD** was launched, which within first week rose to #1 factual entertainment HD channel across India.

**FYI TV18** with its line-up of lifestyle shows relating to food, space, relationships, travel and fashion continues to achieve strong growth momentum. Its digital platform records the highest video consumption and engagement in the lifestyle space.

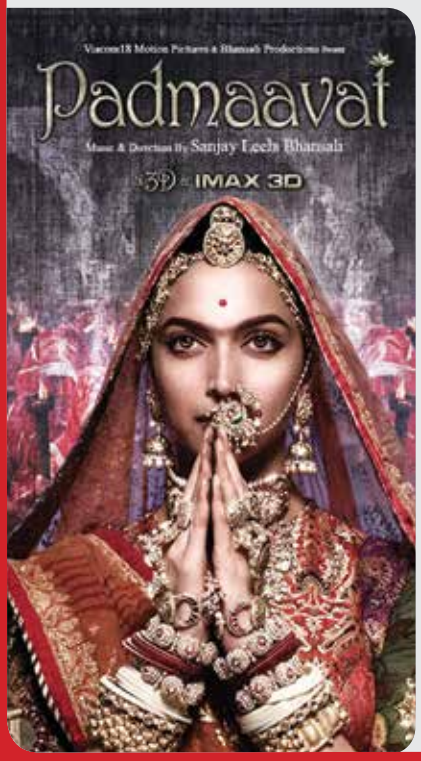





# BEYOND THE SMALL SCREEN

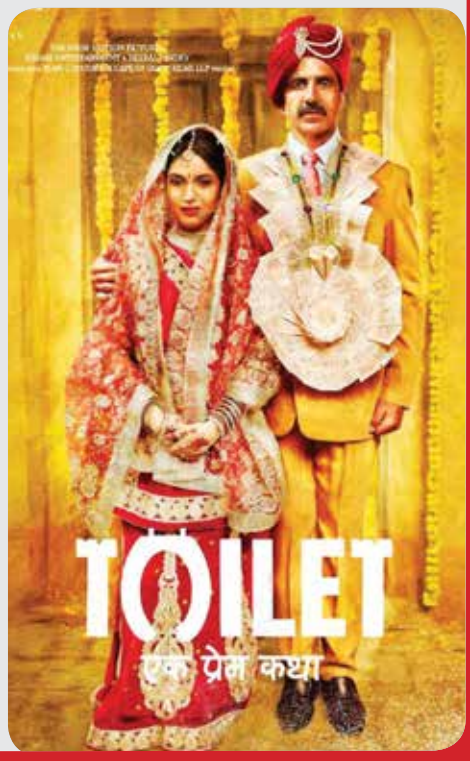
## Filmed and Live Entertainment
## Viacom18 Motion Pictures

**Viacom18 Motion Pictures** caters to the diverse tastes of Indian audiences through meaningful, popular cinema. In FY 2017-18, it delivered successful films like 'Toilet - Ek Prem Katha', 'Padmaavat', Marathi film 'Aapla Manus' and 'The House Next Door' which released in three languages – Hindi, Tamil & Telugu. Padmaavat was amongst the five top grossing Hindi movies of all time.










**Viacom18 Live** has created and scaled up Live IPs of Viacom18's iconic brands across Music and Comedy.

The 5th edition of Vh1 Supersonic, India's #1 multi-genre Music festival, was organised by LIVE Viacom18 in Feb 2018 in Pune witnessing a footfall of about 60,000.



# INNOVATING TO REDEFINE DIGITAL EXPERIENCE

We have strengthened our digital ecosystem to provide audience access to our content anytime, anywhere. Our leading digital properties provide fastest and most accurate content:

**One in every five** Internet users in India is on Network18's digital platforms

**Top 3** digital news and information brands

Leveraging the Group's **strength in broadcasting**

Moneycontrol web and mobile browser being accessed by 4 million and 6.4 million unique visitors, respectively makes it the **#1** finance platform

News18.com, commanding 40% higher engagement than competition's average, witnesses **75 million monthly** desktop and mobile site visitors

Firstpost is the **#1 opinion platform,** with users spending 64% more time on it, compared to competition for every mobile visit

VOOT - our OTT platform is the **#2 OTT broadcaster in India** with 35 million active users having an average watch time of 40+ mins/day

HomeShop18 is **India's largest TV shopping platform**

BookMyShow has **1.2 billion** monthly visitors



**Moneycontrol**

This is India's leading business and personal finance platform, attracting 14 million web and 6.4 million mobile monthly unique visitors. In FY 2017-18, the platform was strengthened with innovative features like live streaming, podcasts, video-on-demand, and newsfeed, along with initiating premium content for paid users. A pioneering app was launched to extend its presence on smartwatch platform.

## KEY DIGITAL INITIATIVES IN FY 2017-18

- ★ Strengthened mobile platform and improved user interface driven by the paradigm shift in Internet usage from desktop to mobile platform
- ★ Increased thrust on producing high quality videos which are digital first
- ★ Strengthened multi-lingual capability providing content in 10 languages to connect with regional audiences
- ★ Focussed on building strong analytical platform to understand user behaviour and provide curated content
- ★ Undertook digital video expansion to strengthen grip on the distribution market

**Moneycontrol app has 3x more users compared to nearest competitor**

**Moneycontrol recorded highest daily traffic on Budget day with 3 million visitors on desktop and mobile site and 2.4 million users on app**

NEWS18.COM

**NEWS18.COM**

The platform has witnessed strong growth in reader base and engagement metrics, driven by synergies from television channels, multilingual content, improved features, and better segregation of news. Original HD videos and launch of niche programming are further enhancing its credentials. With exclusive properties like Auto and Tech Awards and Reel Movie Awards, the platform is making rapid progress towards breaking into the top three news portals in India.

**News18.com's reader base grew 200% on both desktop and mobile sites**







FIRSTPOST.

**FIRSTPOST**

India's first and biggest digital-only newsroom provides best-in-class coverage and branded content. The platform has witnessed growth of 117% in monthly unique users and 192% on mobile page views since February 2017.

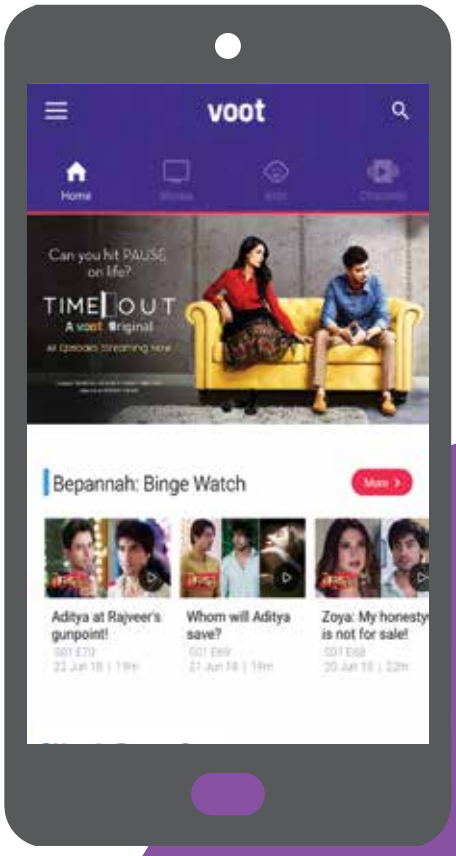
## FIRSTPOST'S UNIQUE OFFERINGS

★ **Dedicated demographic content**

- Showsha.com for Bollywood-buffs
- Firstcricket for sport fanatics
- Firstculture to bring the country's diversity and culture to the fore

★ **Path-breaking original content**

- 9 Months
- Tech2 Talks
- Caraoke
- WhatTheApp




## voot

**VOOT**

A premium ad-supported video-on-demand platform with over 50,000 hours of content, VOOT's library spans Viacom18's channels, aggregated kids content, and VOOT originals. The user-friendly front-end and high-tech engine enables seamless viewing experience on varied devices and connection speeds; and is backed by a robust analytics back-end.

**VOOT is the winner of the coveted 'Best of 2017' apps by the iOS App Store, and the IBC 2017 Innovation Awards**




CNBCTV18.COM

**CNBCTV18.COM**

Launched in April 2018, this is a premium platform offering a mix of original and smartly curated news and analytical content, and fresh perspectives on entrepreneurship, leadership, start-ups and finer aspects of business. Its weekend edition provides columns on lighter side of business and leisure stories.

# BOARD OF DIRECTORS



### ADIL ZAINULBHAI

Adil is a Mechanical Engineering graduate from the Indian Institute of Technology and an MBA from Harvard Business School. He is currently the Chairman of Quality Council of India, where he worked on several projects for the Government around many of its flagship schemes. He retired as the Chairman of McKinsey India and during his 34-year stint, he led its Washington office and founded the Minneapolis office. He is very active in community and social causes.



### DEEPAK PAREKH

Deepak is a Commerce graduate and holds an FCA degree from England and Wales. He has been associated with several reputed organisations like Ernst & Ernst Management Consultancy Services in New York, Grindlays Bank and Chase Manhattan Bank prior to his stint with HDFC Bank. A Padma Bhushan recipient for his contribution to the national economy and public policy, he has been widely consulted by the Government of India on issues of national importance. He has served as a member of various Government appointed Advisory Committees and Task Forces for housing, financial services, capital markets, telecom, energy, railways and infrastructure sector reforms.



### DHRUV SUBODH KAJI

Dhruv is a Commerce graduate from University of Mumbai and an Associate Member of the Institute of Chartered Accountants of India. He is a Financial Advisor and a Management Consultant with an experience of over 31 years. He has expertise in evaluating and guiding business projects in India and abroad. He has served as Finance Director of Raymond Limited.



## RAJIV KRISHAN LUTHRA

Rajiv is the Founder and Managing Partner of Luthra & Luthra Law Offices, one of India's largest law firms. He has over 32 years of experience in advising clients on a vast range of commercial transactions including infrastructure projects. He has been conferred with Alumni of Harvard Law School and a Fellow of the British Commerce Society and the Royal Geographical Society. He is a member of SEBI's High-Level Committee for 'Reviewing Insider Trading Regulations' and SEBI's Committee on 'Rationalization of Investment Routes and Monitoring Foreign Portfolio Investments'.



## P.M.S. PRASAD

Prasad is a Science and Engineering graduate. An Executive Director at Reliance Industries Ltd, he has contributed to its growth over the past three decades across various positions in the petrochemicals refining and marketing, exploration and production and fibres businesses. He is the recipient of the Energy Executive of the Year Award in 2008 from Petroleum Economist for his exemplary leadership in steering Reliance's diversification from a refining and petrochemicals to an exploration and product business company. He has been felicitated with an honorary doctorate by the University of Petroleum Engineering, Dehradun, for his contribution to the petroleum sector.



## JYOTI DESHPANDE

Jyoti has over 25 years of experience in media and entertainment across advertising, media consulting, television and film. She has been part of the leadership team of Eros International since 2001 and as Group CEO & MD, she has spearheaded Eros' growth as a global leader in Indian filmed entertainment. Prior to joining Eros in 2001, Jyoti has worked for 7 years in the field of advertising, media consulting and television with companies such as J Walter Thompson India, Mindshare, Zee Television and B4U Television. Jyoti has a Bachelor's Degree in Commerce and Economics from Mumbai University and a Master's Degree in Business Administration (MBA) from SPJIMR, Mumbai University.



## RAHUL JOSHI

Rahul is associated with Network18 Group since September 2015. Rahul has done his Masters in Management Studies from Narsee Monjee Institute of Management Studies (NMIMS), Mumbai University. Prior to joining Network18 Group, Rahul worked with more than two decades with The Economic Times, where he rose through ranks to quickly become one of India's youngest editors, and has also worked as its editorial director. He also launched ET NOW and helped shape the digital coverage of ET Online. He also has worked with The Indian Express in the past and is also on the board of News Broadcasters Association (NBA).

*To view detailed profiles of the Board of Directors, please visit our website: www.network18online.com*

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Adil Zainulbhai**
Chairman and Independent Director

**Deepak Shantilal Parekh**
Independent Director

**Dhruv Subodh Kaji**
Independent Director

**Rajiv Krishan Luthra**
Independent Director

**P.M.S. Prasad**
Non-Executive Director

**Jyoti Deshpande**
Non-Executive Director

**Rahul Joshi**
Managing Director

## GROUP CHIEF FINANCIAL OFFICER

Ramesh Kumar Damani

## GROUP COMPANY SECRETARY

Ratnesh Rukhariyar

## AUDITORS

Deloitte Haskins & Sells LLP,
Chartered Accountants

## BANKERS

AXIS Bank Limited
ICICI Bank Limited
YES Bank Limited

## REGISTERED OFFICE

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414, Senapati Bapat Marg, Lower Parel
Mumbai - 400 013, Maharashtra
Tel: +91 22 4001 9000/6666 7777
Email id: investors.n18@nw18.com
Website: www.network18online.com

## REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited
Karvy Selenium, Tower B, 6th Floor
Plot 31-32, Gachibowli, Financial District
Nanakramguda, Hyderabad - 500 032
Tel: +91 40 6716 1700
Fax: +91 40 6716 1680
Email id: nwminvestor@karvy.com
Website: www.karvycomputershare.com
Toll Free No. : 1800 425 8998

# Statutory Reports

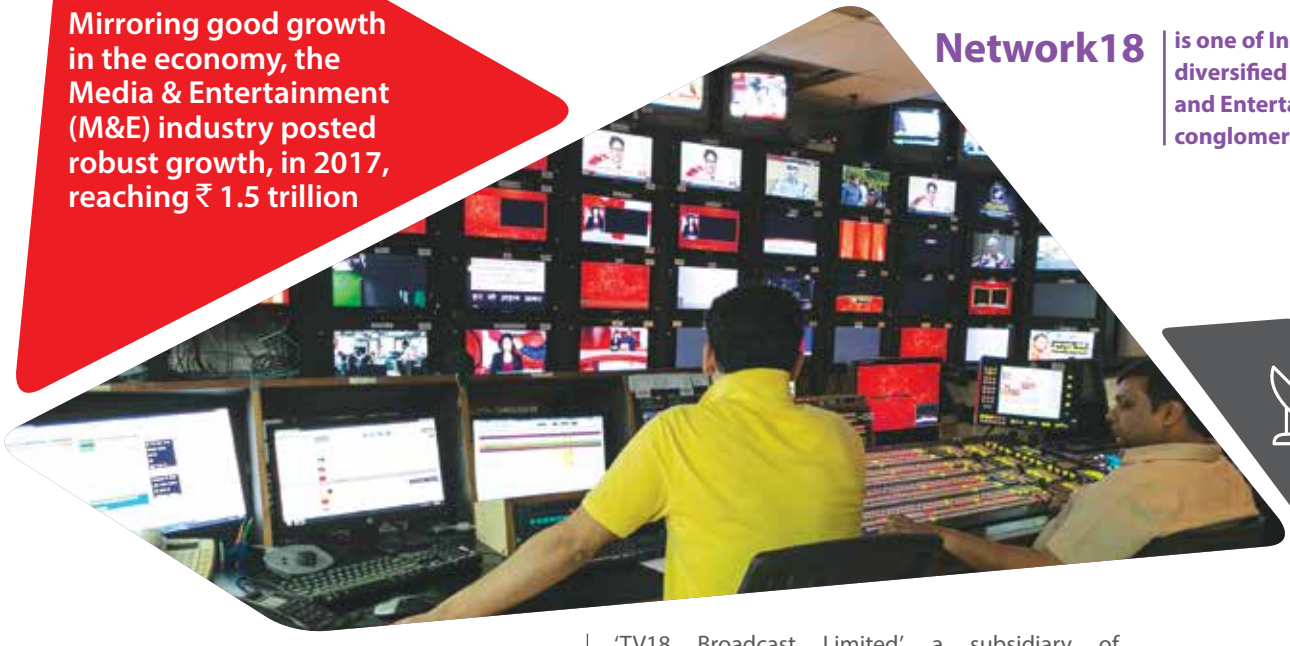
# MANAGEMENT DISCUSSION & ANALYSIS

**Mirroring good growth in the economy, the Media & Entertainment (M&E) industry posted robust growth, in 2017, reaching ₹ 1.5 trillion**

## COMPANY OVERVIEW

Network18 Media & Investments Limited is one of India's most diversified Media and Entertainment conglomerates. It has interests across television, digital content, filmed entertainment, e-commerce, magazines and allied businesses.

**Network18** is one of India's most diversified Media and Entertainment conglomerates



'TV18 Broadcast Limited', a subsidiary of Network18, manages its primary business of broadcasting. TV18 runs the largest news network in India, spanning business news (4 channels with market leadership), general news (1 each in English and Hindi) and regional news (14 channels across India, including joint venture News18-Lokmat). Marquee brands like CNBC-TV18, CNBC Awaaz and CNN News18 are part of this news bouquet.

TV18's entertainment subsidiary Viacom18 (a joint-venture with Viacom Inc) operates an array of entertainment channels. The entertainment portfolio comprises Hindi general entertainment channels, English entertainment, movies, youth and musical entertainment, kids genre and seven regional entertainment channels as well. This includes leading properties like Colors, MTV and Nickelodeon. The group has a presence in the movie business too, which it operates through Viacom18 Motion Pictures.

### FORWARD-LOOKING STATEMENTS

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

TV18's Infotainment subsidiary AETN18 (a joint venture with A+E Networks) operates factual entertainment and lifestyle channels named History TV18 and FYI TV18 respectively.

TV18 and Viacom18 have also formed a multi-platform content asset monetisation entity Indiacast, which drives domestic and international channel distribution, placement services and content syndication for the group's channels and for other broadcasters as well.

Network18 has a considerable presence in the digital content space via its web portals - Moneycontrol, Firstpost, CNBCTV18.com and News18. VOOT, an OTT (Over the Top) distribution platform, launched by Viacom18 offers On-Demand Video content. Network18 is also present in the home-shopping and e-commerce domains, with properties such as HomeShop18 and BookMyShow respectively. It also holds a stake in travel portal Yatra and educational content platform Toppr.

In the publishing space, the Company has a strategic mix of business and special interest publications namely Forbes India, Overdrive, Better Interiors and Better Photography.

## INDIAN ECONOMY

The third quarter of FY 2017-18 witnessed India's climb back on a growth trajectory, making it the fastest-growing major nation in the world. After dropping sharply to a three-year low of 5.7% in the first half of 2017, it recovered smartly to 7.2% in the quarter ended December 2017. This has been viewed by most as a sign that the economy has adjusted to the two recent policy shocks – demonetisation and implementation of GST – and is ready to resume its high growth path.

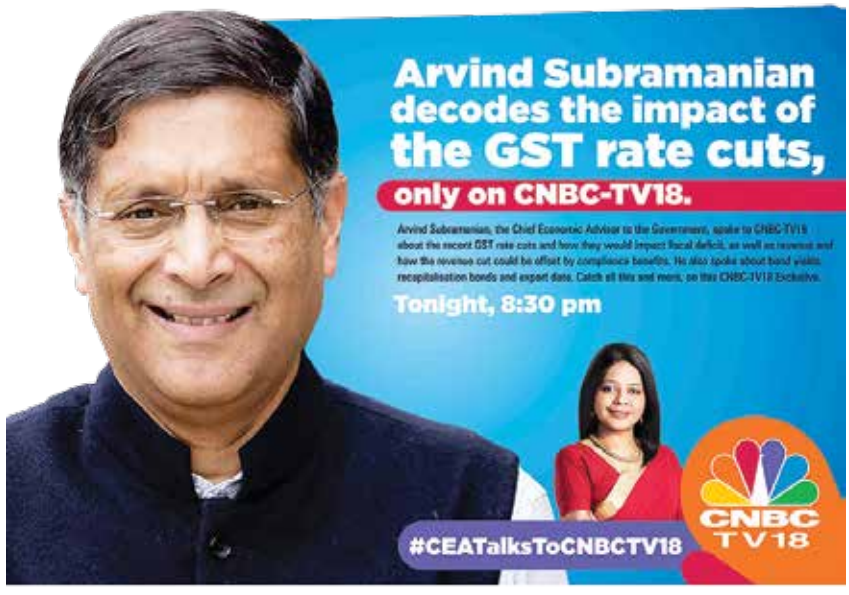
**12.6%** **Growth of M&E sector in 2017, over the previous year**

In its World Economic Outlook Update, the International Monetary Fund (IMF) also remains optimistic about India's growth potential. It has forecasted India's GDP growth at 7.4% for 2018 and expects that to accelerate to 7.8% in 2019.

## INDIAN MEDIA AND ENTERTAINMENT

### Industry overview

Mirroring good growth in the economy, the Media & Entertainment (M&E) industry posted robust growth, in 2017, reaching ₹ 1.5 trillion, according to the 'FICCI-Frames - 2018 report, Re-imagining India's M&E sector'. More noticeably, all segments of the industry posted growth, with digital media clocking the highest rise of 24.9% and print bringing up the rear with 5.7%. The year was also characterised by strong elements of consolidation and innovation on the back of digital, both for consumers and all along the content supply chain.




*Arvind Subramanian #CEATalksToCNBCTV18*

The increasing popularity of mobile cameras, internet and the easy and affordable access to information and computing power in hand-held devices has changed the dynamics of media consumption and production. Now, more than ever, the M&E industry has become more inclusive and democratic.

Advertising budgets followed the changing content consumption patterns of consumers and this drove the digital segment to the top of the growth list. The films segment also saw strong growth, aided along by international revenues generated by Indian films. With the re-emergence of India as an efficient and high quality outsourcing destination, animation, VFX and post production business also saw good growth. With the rising incidence of sporting meets and events (conferences, exhibitions, etc), especially in tier II and III cities, the events segment maintained its strong pace of growth. The television segment gained traction on the back of digitisation of television homes. It also got mileage from non-fiction programming, particularly in regional languages.

Overall, the M&E sector grew faster than India's GDP, reflecting the increase in disposable incomes resulting from relatively stable economic growth. According to the FICCI-Frames report, Re-imagining India's M&E Sector – March 2018, the M&E sector continues to show great potential, and is expected to grow on the back of India's need for escapism, knowledge and social acceptance. Media and entertainment has become a necessity of life, and provides exciting opportunities for existing and new companies as it heads towards a ₹ 2 trillion (USD 31 billion) industry by 2020.

**24.9%** **Digital media growth in 2017 compared to the previous year**

**Revenue growth in different segments of the M&E sector**

| Overall industry size (for calendar years) | CY2016 | CY2017 | CY2018E | CY2020E | CAGR 2016-20 |
|---|---|---|---|---|---|
| Television | 594 | 660 | 734 | 862 | 9.8% |
| Print | 296 | 303 | 331 | 369 | 5.7% |
| Filmed entertainment | 122 | 156 | 166 | 192 | 11.9% |
| Digital media | 92 | 119 | 151 | 224 | 24.9% |
| Animation and VFX | 54 | 67 | 80 | 114 | 20.4% |
| Live events | 56 | 65 | 77 | 109 | 18.0% |
| Online gaming | 26 | 30 | 40 | 68 | 27.5% |
| Out-of-Home media | 32 | 34 | 37 | 43 | 7.7% |
| Radio | 24 | 26 | 28 | 34 | 8.6% |
| Music | 12 | 13 | 14 | 18 | 10.6% |
| **Total** | **1,308** | **1,473** | **1,660** | **2,032** | **11.6%** |

All figures are gross of taxes (₹ in billion)

**USD 31 billion**
Estimated size of the Media and Entertainment industry by 2020

*The state-of-the-art NEWS18 India Studio*



**OTT platforms like VOOT from the Network18 group have gained substantially from falling data prices and rising smartphone penetration.**




## Growth Drivers

### Rise in Digital Subscription and Digital Advertising Spends

The year 2017 saw a powerful rise of 50% in Digital subscription. As per industry estimates, quoted by the FICCI-Frames 2018 report, there are around 2 million paid digital subscribers across application providers, and between 1 and 1.5 million customers who have moved entirely to digital media consumption. By 2020, the number of digital-only consumers is expected to rise to 4 million. Availability of niche content, global content, increased OTT-only content, sports and falling data charges will drive the wider adoption of subscribers.

A parallel phenomenon is the rise of advertising spends on digital. As screens and internet broadband penetration increases, alongside a fall in data rates, there was a parallel increase in the consumption of content and rise in time spent on digital media. Following this trend, some advertising spends did shift to the digital medium, as per the FICCI report. Consequently, digital advertising comprised 17% of the total advertising spends in 2017. Going forward, by 2020, the share of digital advertising is expected to grow to 22%, making Digital the third largest segment of the Indian M&E sector (after Television and Print), ahead of even Filmed Entertainment.

### Television posts good growth in revenue and penetration

TV penetration in India continued to grow to reach 64% (183 million households), accounting for about 780 million viewers. With digitisation, the monetisation of this viewership became more transparent. DAS markets clocked an increase in ARPU, which is now flowing to MSOs and distributors more seamlessly.

### ARPU in DAS markets

| Phase | Customer ARPU range (in ₹, gross of tax) |
|---|---|
| I | 250-350 |
| II | 200-325 |
| III | 150-225 |
| IV | 125-200 |

*Source: Industry discussions, EY analysis*

### Revenue sharing

| Stakeholder | Before digitisation | After digitisation |
|---|---|---|
| Consumer ARPU | 100% | 100% |
| LCOs | 65%-80% | 45%-55% |
| MSOs | 10%-20% | 15%-25% |
| Broadcasters | 10%-20% | 20%-30% |

*Source: Industry discussions*

This year, the full impact of BARC's enhanced rural panel weightage became apparent. Some genres, such as Infotainment, English News and English Entertainment saw a reduction in their viewership. However, the increase in weightage to rural India registered a higher viewership of kids' content compared to the previous year.

International taste for high budget Indian films

A combination of high growth in overseas theatrical releases (particularly in China), growth in satellite rights values and domestic box office collections rendered a growth of 27% in the Indian film industry. Movie releases like Baahubali and Dangal propelled growth in both the domestic and international markets.

The success of Baahubali last fiscal is likely to drive the creation of high budget Hindi and regional movies in the years to come. However, domestic box office collections should be able to adequately support such higher investments. In addition, India's current screen density of less than 10,000 screens compares poorly with developed media markets, like the US, and even China.

While the current success in the international markets points to promising times ahead, the limited release of foreign films in China, due to regulations, could limit the growth in overseas markets. Lastly, the success of films is not linear; it depends largely on the number and types of releases.

Better measurement and analytics of viewership

Broadcast Audience Research Council (BARC) is a joint industry body of broadcasters, advertisers and advertising agencies. Because of its ability to measure viewership habits of both Rural and Urban TV households, through BAR-O-Meters seeded in a growing number of TV households across the country, BARC has unlocked considerable insights into a vast majority of India's media and entertainment preferences. Keeping up with the convergence in the M&E industry, BARC will be launching its combined TV plus digital measurement system "EKAM". This will create a uniform currency to measure performance across both mediums.

## OUTLOOK FOR THE MEDIA INDUSTRY

With the recovery and fast growth in the Indian economy, the prospects of the Indian M&E industry look bright. In fact, it is expected to grow at a higher pace than even the economy in the medium term. Largely driven by sentiment, ad spends by companies are expected to increase in FY19 and beyond and advertisements account for around 50% of the M&E industry's revenues. Additionally, export-led entertainment companies are expected to gain from global growth.

## THE INDIAN TELEVISION INDUSTRY

### Overview

The Indian Television industry grew 11.2% (9.8% net of taxes) from ₹ 594 billion to ₹ 660 billion in 2017. Its advertising revenues, which comprise 40% of revenues, grew to ₹ 267 billion while revenue from distribution (i.e. consumer spend), which comprises the remaining 60%, grew to ₹ 393 billion.

TV viewership has grown 21% across all age groups, in 2017- compared to 2016.



According to EY estimates, advertising is 41% of industry revenues today (72% of broadcaster revenues) and this is expected to grow to 43% of total revenues by 2020 (75% of broadcaster revenues).

According to the FICCI-Frames report, TV viewership has grown 21% across all age groups. In terms of content, 54% of content viewed is in the GEC genre, followed by movies, which comprise 23% of total content viewed. News and music account for 7% and 6%, respectively.

### Revenue performance of the Television sector

| Stakeholder | 2016 | 2017 | 2018E | 2020E |
|---|---|---|---|---|
| Advertising | 243 | 267 | 304 | 368 |
| Distribution | 351 | 393 | 430 | 494 |
| **Total** | **594** | **660** | **734** | **862** |

*Gross of taxes (₹ in billion)*

At present, ~36% of Indian households are yet to get television screens. As these are bottom of the pyramid households, they would tend to move first towards free and sachet products.

*Filmfare Awards exclusively on Colors TV*




### SIZE OF TV UNIVERSE

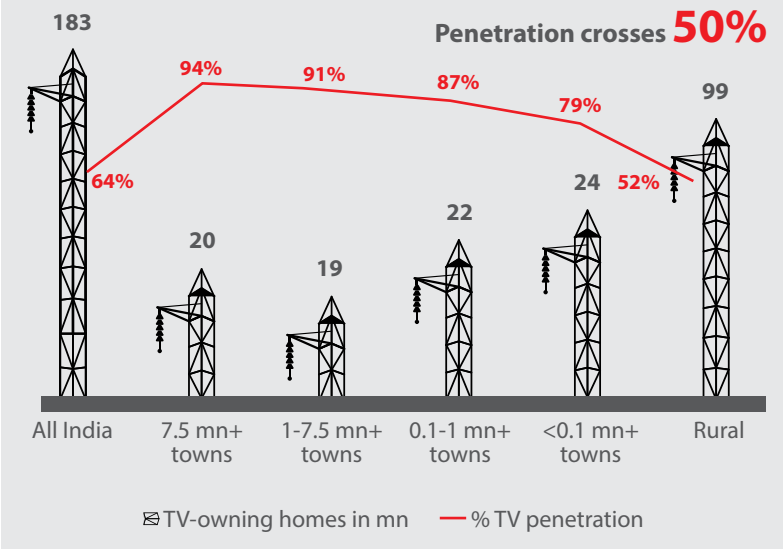
**Individuals**
**780**
**million**

**Households**
**183**
**million**

*All data has been provided by Broadcast Audience Measurement Council and is based on their proprietary research. It has not been validated by EY, and presented in summary form for presentation purpose only.*

### RURAL TV

**Rural India** at **99 mn** TV homes is **17%** higher than **Urban India** but is only **52% penetrated**




There are 877 licensed private satellite TV channels, of which 389 are news channels and 488 are non-news channels; in terms of subscription, 300 were pay channels and 577 were Free To Air (FTA). During 2017, 11 fresh channel licenses were issued. The local cable operator universe comprises over 60,000 operators.

### Trends in the TV industry

According to a 'BARC – FICCI Frames report - 2018, The changing face of TV in India', the Hindi GEC category leads all other channels with a reach of 499 a week, with Hindi movies close on its heels with 471. In the GEC genre, while the three top choices for urban India were talent search/feats/ reality show, drama/soap, mythological/costume dramas, those in the rural areas put drama/soap at the top of the list, followed by mythological/ costume dramas and finally talent search/feats/ reality shows. In the sports genre, while cricket still remains the most popular sport watched on TV, local sport Kabaddi is fast gaining share.

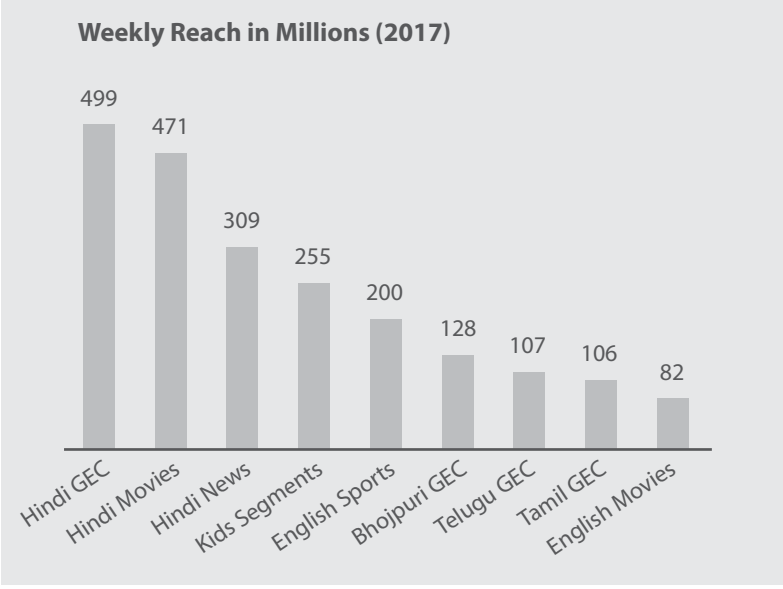
The evening prime time contributes to over 30% for Hindi, English and Regional News. However, Morning Time contributes maximum to News in Andhra Pradesh and Tamil Nadu.

### Advertising

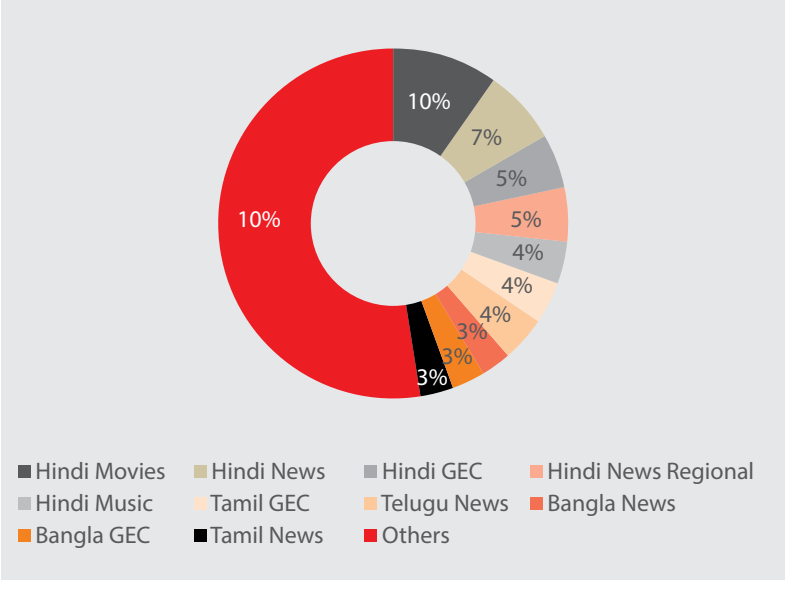
Increases in advertising revenue driven by volumes and premium properties

According to BARC, the number of advertisers on TV grew to 12,964 and ad volumes grew to 70 million insertions, in 2017. Total ad revenues grew 10% (8.7% on a net of tax basis), from ₹ 243 billion to ₹ 267 billion. This was largely driven by increased volumes on the back of the launch of more channels, particularly in the FTA space. At the same time, the ad revenue of premium properties such as sports, prime time content, film premieres and reality TV also grew.

## TV CHANNELS




## SHARE IN AD REVENUES




Top 10 channel genres account for 47% of total ad volumes

Almost half of the total ad volumes (47%) came from the top 10 channel genres, with 30% coming from Hindi channels and the balance 17% from Tamil, Telugu and Bangla. Hindi Movies as a genre clocked the largest advertisements, helped along by the launch of several FTA movie channels on DD Free Dish. Nevertheless, regional channels are outpacing many other genres in terms of growth, leading large broadcasters to consider enhancing their regional channel offerings.

Free Dish offerings rake in ad revenues

Large private broadcasters saw a growth to over ₹ 20 billion in advertising revenues from their Free Dish offerings, largely on account of the fast growth of this facility but also partly due to the increased rural weightage used by BARC.




**47%** **Almost half of the total ad volumes came from the top 10 channel genres**

These channels have a large reach and are often some of the most viewed channels in the country. Since the captive audience of these channels is different from that of the pay TV channels, advertisers wishing to use television to reach out to lower NCCS audiences, particularly in rural areas, see good opportunity in advertising on them.

### News channels thrived on events

A lion's share of 40% of revenues for certain channel genres, particularly business and regional news, came from events and activations. Over the past few years, there has been a steady rise in the number of awards, contests, etc. It has been estimated that over 650 events are telecast on news channels in India annually. Bundling of sponsorship with advertising time has emerged a cost effective formula for sponsors.

### Slot sales remain steady

Slot sales volumes to advertisers continued to hold for many channels with the launch of additional FTA and pay channels in the news, GEC and movies genres. These have high distribution in HSM and regional markets and have created inventory availability. As a result, they generate estimated revenue of between ₹ 5 and 8 billion.

## Distribution

### Fragmented distribution market

There are an estimated 60,000 local cable operators (LCOs) and more than 6,000 multi-service operators (MSOs) in the distribution segment in India. There were six pay direct-to-home (DTH) operators and Doordarshan's free satellite service in operation. In addition, there was one Headend-in-the-sky (HITS) operator. The DTH companies and 10 largest MSOs dominated the market, serving around 65% of pay TV homes.

### Steady growth in TV viewing households

Clocking a 3.5% growth over the previous year, TV penetration in India reached 64%, taking the total number of TV viewing households to 183 million in 2017. This translates into approximately 780 million viewers. 83% of the total TV households were paying households.

| Stakeholder | 2016 | 2017 |
|---|---|---|
| Cable | 100.5 | 98.5 |
| DTH* | 49 | 52 |
| HITS | 0.5 | 1.5 |
| Free TV | 26 | 31 |
| **Total** | **176** | **183** |

*(Television households in millions)*

** Net of temporarily suspended subscribers, which if included, could grow the subscriber base to around 65 million.*

### Digitisation resulted in increased customer ARPU

As anticipated, digitisation led to higher collections from end customers, across all DAS markets. This, in turn, led to an increase in revenue received by MSOs and broadcasters. Prior to digitisation, revenue leakages adversely impacted MSOs as LCOs tended to under-report the number of subscribers to retain higher margins. However, now transparency has increased and MSOs have greater clarity on the number of active consumers of every LCO. This has led to an increase in the bargaining capacity of MSOs.

| | TV-owning Homes (mn) | TV Penetration (%) |
|---|---|---|
| Rural India | 99 | 52 |
| All India | 183 | 64 |

The elimination of channel aggregators and distributors has also culminated in better bargaining power for MSOs and thereby better revenue to distributors. Their collections from digitised LCOs in the DAS I and DAS II markets now ranges from ₹ 80 to ₹ 125 per subscriber per month. In the DAS III markets, their collections also grew significantly from ₹ 50 to ₹ 80 per subscriber per month from the earlier range of ₹ 30 to ₹ 50.

### MSOs and broadcasters see improved revenue streams

With the introduction of digitisation, the revenue dynamics of the entire distribution have changed. With enhanced transparency at the LCO level, MSOs have gained and so have broadcasters. According to EY, there has been a concerted push towards the implementation of a prepaid model by several leading MSOs. Having invested in implementing B2B online portals, they are pushing LCOs to transact online on a prepaid basis. Currently, though the prepaid models are only implemented by a handful of large MSOs, that too only in some markets. Nevertheless, the trend is likely to catch on with other MSOs too as it streamlines billing and reduces collection efforts significantly.

### ARPU under pressure despite growth in DTH subscribers

During 2017, the number of active DTH subscribers in India grew by over three million largely on account of digitisation in DAS III and DAS IV markets. However, due to various factors - demonetisation, implementation of GST, the introduction of low value packs for rural markets, attempts to counter the competition from Free Dish providers - ARPUs have been flat at around ₹ 220 per month, despite muted increase in package prices. The upside for broadcasters is that the visibility of their content has improved. Although they have not been able to monetise this yet, as incomes rise, there is scope to leverage their household presence with advertisers.

### OTT viewership continues to grow

The gap between the cost of watching an hour of TV on broadband and traditional cable or DTH has significantly reduced, thanks to the fall in broadband pricing. However, with the assumption that an average TV household watches over three hours of content a day, it is currently still more expensive to watch TV using broadband, especially if watched on a large television screen.

Nevertheless, EY estimates that by 2020, there would be around 4 million people who primarily depend on OTT platforms for their content. With an eye on the future, many distribution companies are investing in broadband to mitigate this risk, which shall potentially lead to increased ARPU.

**During 2017, the number of active DTH subscribers in India grew by over three million largely on account of digitisation in DAS III and DAS IV markets**

### Subscription revenue of broadcasters increased

Broadcasters witnessed an increase in subscription revenues from ₹ 90 billion in 2016 to ₹ 99 billion in 2017. This was largely due to long term contracts with escalation clauses, digitisation of TV households and increased transparency. International subscription revenues faced stagnant rates on account of the increased number of consumer offerings and remained stable at around ₹ 20 billion in 2017.

## Content

### Interactivity keeps gaining in popularity

Interactivity is perhaps the most significant trend in the Indian TV industry in 2017. It contributed to making TV content truly immersive. Shows like the Jio Ghar Baithey Jeeto Jackpot contest for Kaun Banega Crorepati, generated considerable interest in viewers. In addition, interactivity enhanced audience stickiness and increased the time spent on linear TV.

### Increasing cost of content

A combination of factors including more TV channels, several OTT players like Amazon Prime, Viu, Alt, Netflix, etc. has increased the overall demand for content. Although Indian broadcasters produce over 100,000 hours of content annually across languages and formats, newer players are investing higher amount per episode (albeit for much smaller quantities of content) and are tying up with leading talent. The increase in cost is expected to impact the cost of film acquisition more than cost of episodic content.

### Increased values of satellite rights

Broadcasters paid around 18% more for satellite rights in 2017. Large increases were seen for blockbuster films, particularly in the regional language space. While movie channels generated 23% of total viewership, movies on regional channels also generated significant revenues.

### Export of content an emerging opportunity

Indian broadcasters receive a steady stream of subscription revenue as well as advertising revenue from Indian television that is exported to over 150 countries across the globe. News channels have also now become available in over 70 countries.

In addition to channels that cater to Indian diaspora in Indian languages, there is a growing opportunity for dubbed Indian content in countries like Africa, Middle East and Eastern Europe.

### Regional language content leads growth in viewership

Data from BARC indicates that growth in languages like Punjabi, Oriya, Bhojpuri, Assamese and Gujarati is almost twice the rate of growth of languages like Hindi, Tamil, Telugu, etc. Broadcasters increasingly intend to provide better quality and fresher content to regional consumers.

### Merchandising and Licensing saw good growth

As per capita incomes rose and the middle class segment grew, the opportunity for licensing and merchandising of characters increased too, particularly for children's characters and sports leagues. This revenue source is expected to continue growing, despite the parallel growth of pirated products. Media companies have begun to provide products across multiple price points. Merchandising is led by international characters from Disney, Viacom18 and Turner, but local characters also captured the fancy of Indian audiences and correspondingly increased licensing opportunities.

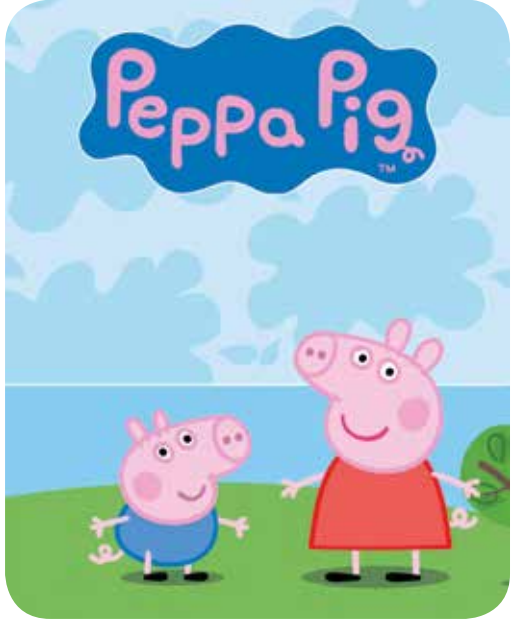
## Conclusion

Looking ahead, the Indian M&E sector is expected to grow strongly on the back of favourable socio-economic and demographic indicators. The rapid pace of digital adoption will add considerable fuel to this growth. At the same time, the value chain within the industry will continue to evolve and continuous innovation and adaptation to this dynamic scenario will determine the survival and success of players within the industry.

## Strategic advantages and competitive strength

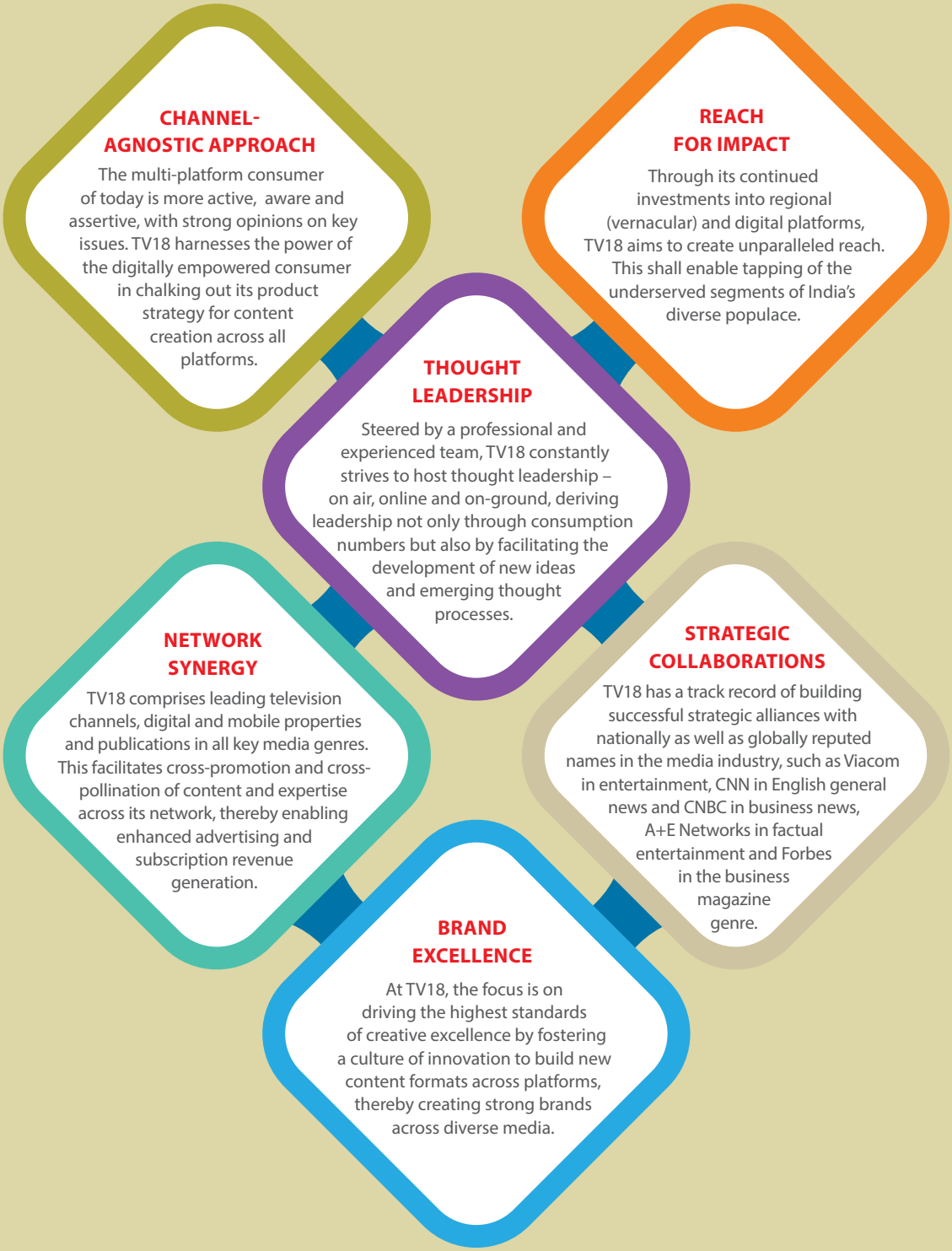
Network18 is a media and entertainment powerhouse with its foothold in television, Internet, filmed entertainment, digital business, magazines, mobile content and allied businesses.

- Network18's TV channels touch lives of 70 Crore Indians, representing 90% of the TV universe. 1 in every 2 Indians is a consumer of our content
- The broadest News Network in India, with unmatched coverage through 20 channels spreads across 15 languages and 26 states. (#2 News Network by viewership)
- The fastest growing Entertainment network in India, with leadership channels in Hindi, English, Kids and Music genres. (#3 Entertainment network ex-sports by viewership)
- Digital properties are used by 80 mn+ people. 1 in 5 internet user in India is on Network18 websites or apps



# OPERATING STRATEGY

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



## STRATEGIC INITIATIVES UNDERTAKEN

Network18's leadership and growth aspirations stem from an inherently high-quality portfolio of properties, a relentless drive for garnering market-share, and a concerted effort to utilise synergies and push efficiencies across its owned and affiliate media (traditional & digital) and telecom portfolio. With those aims, the following were events during the year that shall enable better management of the portfolio.

**Network18 subsidiary TV18 took operational control and raised its stake to 51% in entertainment JV Viacom18 (Mar '18).** The partners believe that in the fast-evolving Media & Entertainment landscape in India, TV18 can drive value-addition and synergies across the multi-platform group comprising broadcast, digital, filmed and experiential entertainment and media businesses. Viacom continues to hold 49% in Viacom18, and shares TV18's vision for scalability and enhanced efficiency at Viacom18. Viacom18 is now a subsidiary of TV18.

**Leading TV shopping players HomeShop18 and Shop CJ combined their businesses (Feb '18)**, creating the largest home-shopping entity in India under the HomeShop18 umbrella. The resultant benefits of scale and synergy shall better the growth prospects for the combined entity, allowing it to improve its standing in the TV home-shopping landscape and compete better with the challenge from e-commerce players. HomeShop18 ceases to be a subsidiary of Network18, but Network18 remains the largest shareholder.

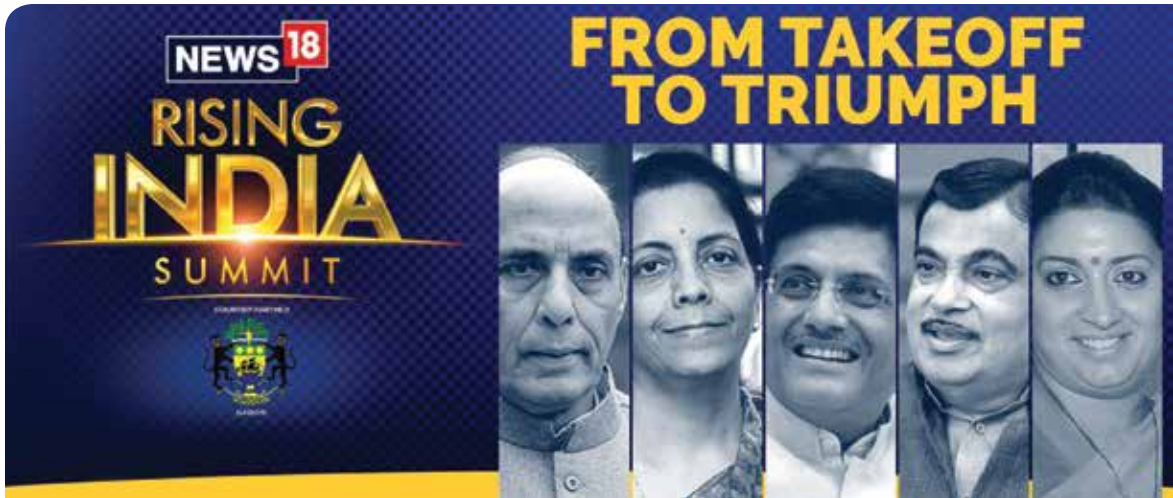
**Umbrella brand "News18" for all general News channels:** With the rebranding of remaining 5 ETV and IBN Lokmat regional channels, the process of having a unified brand "News18" for all 17 of our general news channels (in 15 languages covering 26 states) is complete. This makes the News18 network the largest general news brand in the country.

**Colors Tamil launched in mid-February:** Colors Tamil fills a vital whitespace in our regional entertainment portfolio, in a highly competitive market. Its fresh subjects and cinematic-quality content are being well-received. The channel launched with 22 hours of original programming per month, and will ramp-up in content and improve distribution over the year. It has garnered 5% viewership share, and made strong inroads in urban markets like Chennai.

**CNBC TV18's digital destination CNBCTV18.com/CNBCTV18 app launched on April 6, 2018.** This is a premium digital platform offering important and useful news and information about the stock market, business and economy, including fresh perspectives on entrepreneurship, leadership to audiences. It also offers video-feed/clips of the channel.

**Network18 divested Burrp.com (food & restaurant listing and recommendation engine) to Bigtree Entertainment Pvt Ltd in July 2017**, through a business transfer agreement as a going-concern on a slump-sale basis. Bigtree owns and operates ticketing platform BookMyShow, and Burrp shall be a natural fit in its portfolio.

*Speakers at NEWS18 Rising India Summit*



## OPERATIONAL OVERVIEW

### TELEVISION

### Business News

CNBC-TV18

CNBC-TV18 continued to redefine the English Business News genre by offering the most comprehensive, insightful and in-depth coverage on all the significant economic and financial events that transpired throughout the year.

The channel continued to dominate the Budget day programming with 79% channel share[1]. Also during the Union Budget, CNBC-TV18 emerged bigger than any English News channel in India, thus cementing its reputation as India's Budget headquarters yet again. Key developments in the corporate world like the implications of GST roll-out, Punjab National Bank scam, the Bank recapitalisation plan and many more were covered through a 360 degree approach. On the international front, the channel hosted exclusive conversations with likes of Netflix CEO Reed Hastings, Uber CEO Dara Khosrowshahi and Microsoft Founder Bill Gates. Special on-ground coverage with shows such as Bad Medicine, What's Ailing Rural India and Budget Caravan amongst others improved the audience connect.

The longest running automobile awards continued its legacy for the 18th straight year as CNBC-TV18 Overdrive Awards again brought the automobile industry under one roof. The 13th India Business Leaders Awards congregated the biggest names in the political, financial and corporate universe. CNBC-TV18's celebrated 16 years of its flagship property "Young Turks" with a special summit.

CNBC-TV18 was adjudged the Best Business channel at the ENBA awards, and the show India Business Hour won the Best Business Program award.




*Ivanka Trump on CNBC-TV18*

CNBC Awaaz

CNBC Awaaz celebrated its 13th anniversary on January 13, 2018. The channel, through its most trusted anchors and experts, offered a wide range of news covering politics, economy, sports, entertainment and much more in the language of their choice.

CNBC Awaaz further consolidated its position in the Hindi Business News space during the FY 2017-18 and has achieved a strong leadership position with 69 per cent channel share[2]. On the Union Budget day, CNBC Awaaz witnessed a massive viewership share of 80%[3] which further peaked to 90% during the Finance Minister's speech[4] .

During the year, in addition to the news coverage and other on-ground events, CNBC Awaaz did exclusive interviews with the big faces in the political arena like Arun Jaitley (Finance Minister), Nitin Gadkari (Minister for Road Transport and Highways and Shipping), Suresh Prabhu (Ministry of Commerce & Industry and Civil Aviation), and from the business and financial arena like A. M. Naik (Group Executive Chairman – L&T Group), Dr. Rajiv Kumar (Vice Chairman – NITI Aayog), Adi Godrej (Chairman – Godrej Group) and many such notable business leaders.

1 *Source: BARC | TG: Males 22+ AB | Market: 1 mn+ | Period: 1st Feb'18, 11:00 to 13:00 hours.*
2 *Source: BARC | TG: Males 22+ AB | Market: HSM | Period: 1st Apr'17-31st Mar'18, All days 24 Hrs*
3 *Source: BARC | TG: Males 22+ AB | Market: HSM | Period: 1st Feb'18, 24 Hrs*
4 *Source: BARC | TG: Males 22+ AB | Market: HSM | Period: 1st Feb'18, 11:00 to 13:00 hours*

As a testimony to its commitment towards best-in-class coverage of news from business and political segment, CNBC Awaaz was awarded the Best Hindi Business News channel and two other awards at ENBA 2017, Awards. The channel also won an award for Excellence in Business & Economic Journalism at Ramnath Goenka Awards.

CNBC-Bajar

CNBC-Bajar, India's first Gujarati business news channel, completed three successful years of engaging with India's most vibrant community. CNBC-Bajar connects with all stakeholders in Gujarat through its extensive news coverage, on-ground events like 'The Gujarat Real Estate Awards' and exclusive interviews/debates with decision makers from the political and corporate space.

In addition to the Business and Financial news reporting, CNBC-Bajar did an in-depth coverage of the Gujarat Election.

### General News

CNN-News18

Aimed at disrupting the English news genre, the evening primetime on the channel was revamped through introduction of new shows like 'The Big Debate' and Kishore Ajwani hosted 'Bottomline".

The channel did extensive coverage of various political and civil events during the year like elections in states of Himachal Pradesh and Gujarat and the Union Budget. CNN-News18 did a special 9 part series on app-based cabs, and broke the aviation scam story too.

*Amish Devgan, CNBC AWAAZ*



CNN-News18 did a socially-relevant sting operation showcasing how drug peddlers continue to thrive in the state of Punjab and an investigation showcasing children turning into drug-addicts in Delhi.

The other initiatives included 11th edition of CNN-News18 Indian of the Year Award thus recognising Indians whose contribution has strengthened the foundation of our society. The channel also partnered the Hindustan Times Leadership summit.

News18 India

Backed by its unbiased and extensive editorial coverage, the channel has made phenomenal strides wherein its ranking in the Hindi news space has moved to #3 in a 13 channels genre[5], versus #8 a year back. Also, during the evening prime time News18 India regularly tops the urban viewership charts, beating legacy leaders.

On the programming front, through news reporting, interviews and debates, News18 India extensively covered key events in the political and civil space like Gujarat and Himachal elections and Delhi MCD elections. During 5 state elections, News18 India brought back its much applauded show 'Lapete Mein Netaji' and made it part of the regular programming.

The channel also undertook special investigative stories like a reality check on government hospitals and doctors of Uttar Pradesh; Operation Talaq Nahin Dunga - a special show which highlighted the plight of Muslim women who have unsuccessfully been seeking a divorce under Triple Talaq and many more stories across various walks of life.

News18 India supported the inaugural edition of the Marquees 2017 that recognised the best in the field of marketing as the Presenting Sponsor. The channel also did a partnership with Hindustan Newspaper for their event - Shikhar Samagam.

5 *Source: BARC | TG: 15+ | Market: HSM | Period: wk 10'18 to wk 13'18*

News18

News18 is designed to give global audiences a window into India. The channel is present in the United States, Canada, United Kingdom, Singapore, and the Middle East. News18 is a destination for definitive news for the Indian diaspora, a community of high achievers seeking Indian news and for ethnic conglomerates with business interests in India.

## Regional news

News18 Regional Network

TV18 currently operates a bouquet of 14 regional news channels covering 26 states and offering news in 15 languages. The most significant achievement has been that regional news network of TV18 has become the largest regional news network in India, reaching out to 59.7 crore audiences[6] across the country. The viewership share of the News18 Regional news network (as a % of overall TV News viewership) has also near-doubled to ~4.5%. This is backed by impactful editorial and the distribution footprint of the channels which comprises over 1,200 reporters.

The re-branding of regional channels operating under erstwhile ETV and IBN brands to News18 was completed during the fiscal year. The News18 brand was unveiled during one of Network18's biggest thought leadership events 'News18 Rising India Summit' where the keynote address was made by the Prime Minister of India. In addition to the re-branding, the channels were re-vamped from the programming and the look and feel perspective.

With strong feet on ground, election reporting has been the strength of News18 regional channels and it strives to bring election results first to its viewers.

The series of "Rising" events in different states is another milestone for the News18 Network. The noteworthy thing about these events is that it allows for an open dialogue between the political leadership and other key stakeholders of the respective states.

**59.7 crore** **Reach of the Regional news network of TV18 - the largest in India**

## Factual entertainment and Lifestyle

History TV18

History TV18 ranked a close no. 2 in the Factual Entertainment Genre in mega cities.

History TV18 continued with its long telong-term to showcase local content and created some compelling path-breaking content. The hugely successful OMG! Yeh Mera India entered its 4th season and shows such as Special Operation India Surgical Strikes and Myanmar signalled our foray into military contemporary History.

History TV18 also featured a new series tailor made for the Govt. of Chhattisgarh titled OMG! Chhattisgarh 2. The series was a sequel to the hugely successful OMG! Chhattisgarh launched last year.

History HD launched last year and within the first week emerged as the No.1 Factual entertainment channel in HD beating legacy players by a very healthy margin.

FYI TV18

On the heels of tasting early success, FYI TV18 continued the momentum by adding more shows to the library. In addition to the key pillars of Food, Space and Relationships, the line-up also included shows on Travel and Fashion, giving the audience an assortment of lifestyle shows to choose from.

The international line-up included shows such as 'Andy Bates: Brazilian Streets Feasts', 'Chow Masters', 'Get Swank'd', 'Tropical Gourmet', 'Good Spirits', 'Trip Testers' to name a few and also returning season of well received shows such as 'Food Porn' and 'Tiny House Nation'. The year also saw the return of the immensely successful show 'Small Budget Big Makeover' for its second season.

On the digital front, the channels delivered exemplary growth, recording the highest video consumption and engagement across factual and lifestyle channels respectively.

*6 Source: BARC | TG: 2+ | Market: India | Period: 1st Apr'17 to 31st Mar'18*

*Special Operations: India - Surgical Strikes on History TV18*



## Hindi Entertainment

### Colors

Colors has always been at the forefront of pioneering differentiated and disruptive content. With an engrossing line-up of distinctive programming, Colors has continued to entertain and engage its audiences across all demographics and strata, thus creating maximum buzz and maintaining Leadership position in the Pay Hindi General Entertainment genre. For the entire FY18, Colors is the No. 1 channel (YTD) amongst pay GECs . It has been ranked No.1 across several weeks during this fiscal, including a consistent and strong Leadership position in last 13 consecutive weeks[ii]. In FY18, Colors showcased the 8th edition of the adventurous non-fiction show 'Khatron Ke Khiladi' and the 11th season of India's biggest non-scripted reality show, 'Bigg Boss' – both garnered the top 2 highest launch viewership numbers, respectively, across all non-fiction shows launched in FY18[iii]. Both shows have been No.1 weekend non-fiction shows. Bigg Boss Finale has been the highest rated finale across any Hindi GECs. The 2nd season of India's first ever live singing reality show 'Rising Star', opened as the 3rd highest rated non-fiction show for FY18 and goes on to become the highest rated non-fiction currently on-air across Hindi GECs in the 2nd week of its launch itself. The biggest impact mythological show 'Mahakali', has been No. 1 in the slot since launch[iv]. Shows such as 'Shakti', 'Udaan' and the recent launches 'Tu Ashiqui' & 'Ishq Mein Marjawa' have been regularly ranked among the Top 10 fiction shows in the genre and have gone on to become leaders in their respective slots. Popular events such as 'IIFA Awards' and 'Indian Television Academy Awards' ensured that Colors was a preferred entertainment choice for viewers. Colors HD was the No. 1 HD channel for the year[v].




*Shani on Colors*

### Rishtey

Rishtey is Viacom18's second Hindi mass entertainment offering in India. A free-to-air channel, targeting the Rural Hindi Speaking Markets. It is the No. 3 Hindi General entertainment channel[vi] and currently ranks No. 4 in the rural free-to-air Hindi Speaking Market. It features the choicest shows from the existing Colors content library – from fiction, non-fiction and reality shows.

### Rishtey Cineplex

Rishtey Cineplex, a premium Indian movie destination for great cinematic experiences, is the first-of-its-kind movie channel launched by Viacom18 in May 2016. The channel, provides its viewers the ultimate movie-watching experience while showcasing enriching, engaging and entertaining content to the viewers. It is the No. 2 channel (out of 24 channels)[vii] and has been ranked No.1 across few weeks[viii] in the Rural Hindi Speaking Market. It is the No. 4 Hindi Movie channel across Hindi Speaking Market[ix]. With the tagline of 'Filmein MUST Hain', the channel features multi-genre films including the latest blockbuster hits from Viacom18's wide library of choicest films.

*i 1 for Week 31 '17, week 33 to 35 '17 & week 41 '17, BARC, TG: 2+, All NCCS, Market: HSM Urban; Time Period: All days, 0200-2600 Hrs*
*ii BARC, TG: 2+, All NCCS, Market: HSM Urban; Time Period: All days, 0200-2600 Hrs, Week 45 '16 to 5 '18*
*iii BARC, TG: 2+, All NCCS, Market: HSM Urban; Time Period: All days, 0200-2600 Hrs, Weeks 14 '17 to 5 '18*

## Youth & Music

MTV India

MTV is an iconic and multi award winning youth brand that is irreverent, fun, innovative, passionate and optimistic, encouraging and inclusive. It was the No. 1 Youth channel for the year[i]. The channel had several successful shows during the year such as 'Splitsvilla X', 'Roadies Rising' and 'India's Next Top Model S3' (which all became No. 1 shows[iii]). While the channel owns a highly successful original IP 'MTV Roadies', which was launched in 2004 and has its 15th season ongoing, MTV continues to be a leader in introducing new formats in India with the launch of Dropout (World's first show to form a startup on TV) & Troll Police (India's 1st show that catches and confront online 'trolls'). MTV builds on its legacy of music with 7 years of MTV Unplugged and also introduced a new array of differentiated youth content through strategic partnerships with Super Fight League & U-Cypher. MTV is also one of the biggest youth brands on social media with approx. 45 million fans on FB and has been the pioneer of what we call 'Branded Content' today. MTV has successfully created impactful and award-winning content and platforms for clients such as Air BnB, Havells, HP, Nestle, Renault among several others.




MTV Beats

MTV Beats was launched in September 2016 as a 24x7 Bollywood Music channel with unique daily thematic play-listing. The channel has garnered an audience reach of 410 million plus in this year[iii] Music programming has been bolstered on the channel with the launch of celebrity lead music slots such as Fit Stop with Sunny Leone, House Party with Badshah and Dil Beats with popular cover band Sanam. Content like Baba Ki Chowki, which reached over 200 million viewers across TV & Digital[iv], and Gaano ka Rafu Centre with Sahil Khattar add diversity to the channel programming.

*Leadership in Youth and Music Genres*




*iv BARC, TG: 2+, All NCCS, Market: HSM Urban; Time Period: Sat-Sun, 1900-2000 Hrs, Weeks 30 '17 to 5 '18*

*v BARC, TG: 2+, All NCCS, Market: HSM Urban; Time Period: All days, 0200-2600 Hrs, Average Weeks 14 '17 to 5 '18*

*vi BARC, TG: 2+, All NCCS, Market: HSM Rural; Time Period: All days, 0200-2600 Hrs, Average Weeks 14 '17 to 5 '18*

*vii BARC, TG: 2+, All NCCS, Market: HSM Rural; Time Period: All days, 0200-2600 Hrs, Average Weeks 14 '17 to 5 '18*

*viii BARC, TG: 2+, All NCCS, Market: HSM Rural; Time Period: All days, 0200-2600 Hrs, #1 for the week 26'17, 44'17, 47'17 & 49'17*

*ix BARC, TG: 2+, All NCCS, Market: HSM U+R; Time Period: All days, 0200-2600 Hrs, Average Weeks 14 '17 to 5 '18*

*[i] BARC, TG: 15-21, All NCCS, Market: All India; Time Period: All days, 0200-2600 Hrs, Weeks 14, 2017 to 6, 2018; Avg Weekly GVM; Out of Youth focused channels: MTV, Bindass, Zing and Zoom*

*[ii] BARC, TG: 15-21, All NCCS, Market: All India; Time Period: All days, 0200-2600 Hrs, Weeks 14, 2017 to 6, 2018; Out of Youth focused channels: MTV, Bindass, Zing and Zoom*

*[iii] BARC, TG: 2+, All NCCS, Market: All India; Time Period: All days, 0200-2600 Hrs, Weeks 14, 2017 to 6, 2018*

*[iv] BARC, TG: 2+, All NCCS, Market: All India; Time Period: All days, 0200-2600 Hrs, Weeks 14, 2017 to 6, 2018*

## English Entertainment

Vh1

Vh1 provides viewers with their daily dose of International music, Hollywood, pop culture and lifestyle. Since its inception in January 2005, Vh1 has grown tremendously. The channel ranked No. 1 at an All India level in FY18. Vh1 has been committed to bringing to Indian audiences the best of International music genres such as EDM, punk, rock, reggae, hip hop, pop, jazz etc. and world awards such as the Grammy Awards, Brit Awards, Golden Globe Awards and Europe Music Awards. VH1 also airs the biggest talent hunts from across the world such as 'Britain's Got Talent', 'American Idol' and 'X Factor'. The channel was also the live TV streaming partner for Global Citizen Festival India in FY16. This year, Vh1 also hosted a Ticket To Ride Contest where one lucky winner got a once in a lifetime opportunity to watch The Grammys Live at Madison Square Garden in New York City!

Comedy Central

Comedy Central was launched in 2012 and is India's first 24-hour English language comedy channel. With marquee properties such as 'Friends', 'Young Sheldon', 'The Mindy Project', popular shows such as 'Suits' and 'Brooklyn Nine-Nine', globally acclaimed talk shows such as 'Tonight's show starring Jimmy Fallon' and 'Graham Norton Show' and various popular unscripted shows such as 'Wipeout' and 'Impractical Jokers'. Comedy Central is the chief comedy destination in India. It ranked No. 1 in FY18.

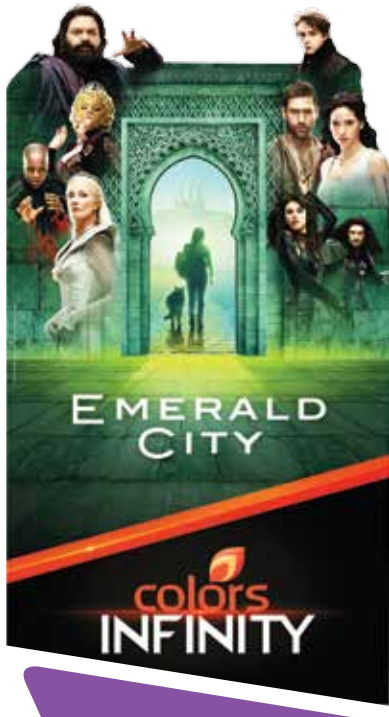
Colors Infinity

Launched in July 2015, Colors Infinity redefined the English Entertainment genre by blazing a new path for TV viewing with unique programming disruptors like 3 episodes back to back for today's 'binge audience', Instant Premieres (screening episodes a few hours after they air internationally) and Infinity On-Demand where viewers chose from shows like Orange is the New Black, Mozart in the Jungle etc. to binge. The lineup was curated by - Team COLORS INFINITY, KARAN JOHAR & ALIA BHATT. The channel boasts of homegrown content with shows like 'The Stage' (India's 1st English singing talent show), Vogue BFFs & Top Model India along with a strong programming line-up of award winning shows (Mr. Robot, Fargo, Better Call Saul, etc.) from the house of the biggest studios such as NBC, Warner, FOX, CBS, Sony and Lions Gate. The channel line-up includes shows of the likes of 'Flash', 'Arrow', 'My Kitchen Rules', 'America's Got Talent', 'Shark Tank', 'Orange Is The New Black Riverdale to name a few. Starting off as the 6th in the pecking order, the channel is currently a strong #3 in GEC with a 100% increase in viewership In FY18[i].

## Regional Entertainment

Colors Kannada

Colors Kannada continues to be the # 1 channel and a dominant force in the Kannada general entertainment genre. Colors Kannada continues




*[i] BARC, TG: 2+, NCCS AB, Market: 6 Mega Cities; Time Period: All day 0200-2600 Hrs, Week 14-2017 to Wk6-2018*

*Comedy Talkies on COLORS KANNADA*



to enhance the family viewing experience through its distinctive and differentiated content which mirrors the culture and spirit of Karnataka. With top notch quality and skilful story telling shows such as "Agnisakshi", "Puttagowri Maduve", and "Radha Ramanna" continue to be a rage among viewers while innovative non-fiction shows such as "Family Power", "Super Minute Championship" and "Anubandha Awards" offer a complete entertainment package to viewers.

colors SUPER

Colors Super

Colors Super - Viacom18's second Kannada general entertainment channel, has grown rapidly to enter the top tier Kannada general entertainment genre in FY18. Bigg Boss Season 5 on Colors Super further fortified channel's position and cemented its place as a prime destination for special and unique content. With its exciting mix of diverse and unique content like "Bigg Boss", "Nagakannike", Super Talktime" and "Majabharata", Colors Super continues to offer a superlative family viewing experience.

*Colors Gujarati show* "Savaaj – Ek Prem Garjana"




colors मराठी
रंग मराठी. गंध मराठी

Colors Marathi

Colors Marathi continued to occupy # 2 position in the Marathi general entertainment genre in FY18. With its engrossing line-up of fresh and exciting fiction content like "Ghadge & Sunn", "Radha Prem Rangi Rangli" and innovative non-fiction content like "Sur Nava Dhyas Nava", Colors Marathi continues to delight audiences across all demographics. On weekends too, Colors Marathi fortified its position with tentpole events like "Filmfare Awards", "Maharashtra State Awards" and "Mirchi Music Awards" among others.

colors বাংলা

Colors Bangla

Colors Bangla is the fastest growing channel in the Bengali general entertainment space. The channel echoes the traditions and progressive values of the market through its differentiated and intriguing content which includes compelling shows such as "Shubho Drishti", "Manosa", "E Mar Gurudakshina" and "Resham Jhapi".

colors ગુજરાતી

Colors Gujarati

Colors Gujarati, the # 1 Gujarati channel continues to be the preferred destination for quality Gujarati content that reflects the ethos and traditions of Gujarat. Colors Gujarati has successfully made inroads through its diverse and differentiated content offerings like "Savaaj – Ek Prem Garjana", "Mahek" and "Lakshmi Sadaiv Mangalam". The channel also continues to enthral the audiences with special content such as "Live telecast of Navratri from Mumbai, Baroda and Surat" and "Ahmedabad Food Festival".

Colors Oriya

Colors Oriya continues to enthral its audiences through its diverse and engaging content. Shows such as "Marichika", "Kajol Lata" and "Sanja Salita" continue to delight the audiences with its intriguing and differentiated content. Colors Oriya continues to be among the top 3 Odia general entertainment channel in the market.

Colors Tamil

Colors Tamil is Viacom18's newest channel and aims to change the game in the Tamil general entertainment genre. Colors Tamil will focus on content that is differentiated, thought-provoking and socially conscious. The channel will offer a range of fiction and non-fiction programmes spanning from mainstream dramas, reality shows, comedy shows to fantasy shows. Colors Tamil will dish out cinema style entertainment with shows such as "Sivagami", "Perazhagi", "Velunatchi" and never seen before reality shows like "Enga Veetu Maapillai" and "Colors Super Kids".

*BARC, TG: 4+, All NCCS, Market: Karnataka; Time Period: All days, 0200-2600 hrs, Weeks 14, 2017 to 06, 2018*

*BARC, TG: 4+, All NCCS, Market: Maharashtra; Time Period: All days, 0200-2600 hrs, Weeks 14, 2017 to 06, 2018*

## Kids Entertainment

Nickelodeon

Nickelodeon has been the No. 1 channel in the kids category since August 2014 and continues to rule supreme. The channel is home to the best and funniest in kids' entertainment with chart busters 'Motu Patlu' and the newly launched blockbuster Gattu Battu. Nickelodeon's thought leadership comes from its pioneering ability to create larger than life and 'one of a kind' properties like the Nickelodeon Kids Choice Awards or the specially created made for TV movies that consistently captivate audiences. The channel has the unique ability of being able to connect with kids through numerous touchpoints beyond TV. In addition to above the line, below the line, online and experiential the franchise has a school contact programme reaching out to more than 900 schools across multiple cities in the country. Nickelodeon engages with kids throughout the year with innovative campaigns such as the 'Nickelodeon Best Friendshake Contest', 'Nickelodeon Lift Your Gift Contest' and pro socio campaigns such as Together for Good. Special made for online, viral campaigns such as Teachers Day D Se Dab, Children's Day & 12 days of Christmas celebrations have connected greatly with the tech savvy kids of today. Www.Nickindia.com receives close to 1.2 million average page views in a month. The website hosts more than 400 games and numerous videos that keeps the kids engaged through various interactivities throughout the year. The Nick India community on Facebook has over 2 million fans. As of January 2018, Nickelodeon reaches out to 33 million kids.

*(BARC, Apr-Dec 2017(week 14-52'2017),2-14 U+R ABC,07-23 Hrs.)*



*The famous Motu Patlu characters of Nickelodeon*



Nickelodeon has been the No. 1 channel in the kids category since August 2014 and continues to rule supreme

Sonic

Sonic serves the right combination of Action and Comedy. The channel boasts of a strong content line-up featuring shows such as the home-grown hero 'Shiva', 'Pakdam Pakdai' and international favourites like 'Power Rangers' & 'Shaun the Sheep'. 360 degree innovative tent pole engagements such as 'Sonic Triple Fun in South Africa Contest', 'Sonic School With Toons Contest' & 'Sonic I'm on TV contest' has managed to strike the right chord with kids all over the country because of its omnipresent marketing with pan-India touchpoints ranging from cross channel TV, print, vans, schools, malls, online and ambient. Sonic also boasts of a highly interactive online community through www.sonicgang.com, and 5.10 lakh fans on Facebook.

Nick Jr.

Nick Jr. is 'the smart place to play' that believes in 'education' and 'entertainment' going hand-in-hand and is aimed at young parents and preschoolers. The channel strengthened its audience engagement through digital and on-ground activations. Its internationally acclaimed shows such as 'Dora the Explorer', 'Paw Patrol' and 'Peppa Pig' foster motor, memory, math and language development in a child and have emerged as an integral part of every preschooler's life.

Nick HD+

Positioned for discerning HD households for kids of all ages from 2 – 14 years, Nick HD+, the 1st Kids High Definition entertainment channel was launched in Dec 2015. It showcases a wide array of content in high definition from the local and international library of Nickelodeon – from the local chartbusters such as Motu Patlu and Pakdam Pakdai to the evergreen favourites and international heavyweights such as Shaun the Sheep, Dora the Explorer, SpongeBob Square Pants and Power Rangers. Additionally, there are shows telecast exclusively on Nick HD+ such as 'The Penguins of Madagascar' 'Kung Fu Panda' 'Teenage Mutant Ninja Turtles' & many more.

## Digital Ventures

VOOT is Viacom 18's Premium ad-supported video on demand platform. With a premium content library of more than 50,000 hours spanning Viacom18's network channels (full episodes & exclusive content), VOOT Kids and VOOT Originals, the platform caters to the varying needs of a discerning digital audience across segments. With 35 million monthly active users (MAUs) VOOT is consistently amongst the top 3 ad-supported video platforms in the country (App Annie) month on month, making it a clear front runner in the category. VOOT was recently awarded the coveted 'Best of 2017' apps by the iOS App Store and its Progressive Web App product was awarded the IBC Global Innovation Award 2017 in Amsterdam. VOOT continues to take the leadership mantle on innovation, across content, technology and marketing, aimed at providing an immersive experience for its users.

## Filmed Entertainment

Viacom18 Motion Pictures has been the only Indian studio catering to the dynamic needs of the Indian audiences through powerful and relevant cinema. The studio has scaled the heights of success this year with 'Toilet Ek Prem Katha', a movie highlighting the sanitation issues in India and the recent box office success 'Padmaavat' which was the first Indian film to have an IMAX 3D release. Viacom18 Motion Pictures has also successfully ventured into the Marathi cinema industry with 'Aapla Manus.' The studio also experimented with the horror genre 'The House Next Door' which released in three languages – Hindi, Tamil and Telugu.

## Experiential Entertainment

### Integrated Network Solutions

Integrated Network Solutions (INS), through its live events division LIVE Viacom18 and brand solutions division BE Viacom18, brings a unique and impactful experience to brands through a combination of multi-dimensional marketing platforms. Live Viacom18 has created and scaled up Live IPs of Viacom18's iconic brands across Music and Comedy. The 5th edition of Vh1 Supersonic, India's No. 1 multi-genre Music festival, with the largest roster of headliners ever and the most diverse curation of international music, was organised by LIVE Viacom18 in Feb 2018 in Pune with exceptional results. With award-winning campaigns for the PMO on Civil Services Day for Department of Administrative Reforms and Public Grievances and previously for Odisha and Arunachal Pradesh Tourism among other initiatives and the super successful AR Rahman Encore 4-city tour, INS continues to provide a compelling range of engagement platforms for brands and spectacular live experiences for audiences.

### Consumer Products

Viacom18 Consumer Products is a significant and one of the fastest growing players in the licensed merchandise industry. Present across 50+ categories across 80+ licensees and distributed across more than 10,000+ outlets, the CP business caters to all lifestages from pre-schoolers to youth and adults. 2018 was a year when Viacom18 CP strengthened its domination of the pre-school segment by stabilising Dora, rapidly scaling up Peppa Pig and acquiring Masha and the Bear with Paw Patrol slated to launch very soon. On the Youth side, Flyp@MTV cafes expanded from 1 to 3 across the country with launches in Mumbai and Chandigarh.



*Padmaavat - Top Grossing Hindi movie of the year*

## Content Asset Monetisation

IndiaCast
a TV18 & Viacom18 Venture

IndiaCast

IndiaCast is a JV between TV18 and Viacom18, and manages content monetisation for TV18, Viacom18 and other broadcasters with three clear mandates:

- **Domestic:** IndiaCast manages domestic distribution of the channels from Viacom18, TV18 and Eenadu Television (ETPL) across various platforms such as Cable (digital and analog), DTH, HITS and IPTV. It also ensures best-in-class availability and reach of all channels by strategically managing key aspects of carriage and placement. IndiaCast has recently signed with Turner for distribution of its channels in India and Nepal.

- **International:** IndiaCast monetises content/ programmes for TV18, Viacom18 across territories and platforms. In addition, we also distribute channels of ETPL across territories except US. With 22 international beams and its content syndication capabilities, IndiaCast has managed to reach the Asian diaspora and international audiences spanning across 145+ countries. With a rich content library of 50,000+ hours across genres, IndiaCast syndicates content from the group in over 35 languages (including Hebrew, Russian, Serbian, Bosnian, Albanian, Macedonian, Kazakh, Swahili, Spanish, and English among others).

- **Digital:** IndiaCast also manages digital initiatives of the group. It is responsible for linear channel distribution to OTT platforms and telecom operators for mobile consumption.

## Digital

Network18 Digital was born digital and has credibility at its core. It provides content which is honest, unadulterated and respected. This can be reinforced by the fact that audiences take their investment decisions based on information and data provided by Moneycontrol, have faith in the opinions provided by Firstpost and derive their information from News18. The newest addition to the bouquet has been CNBCTV18.com. All this has helped Network18 Digital to be among the top 3 news and information brands in India having an audience share of 25%[7] in the news and information category.

## DIGITAL

moneycontrol

Moneycontrol

Positioned as India's digital gateway to personal finance, investing and business news, Moneycontrol strives to stick to its credo – "For the Investor and by the Investor". With the right information, data, technical tools, real-time news and capabilities to execute investment decisions; Moneycontrol seeks to provide its investors with a platform to invest both easily and wisely.

Currently, Moneycontrol attracts over ~6.4 million[8] monthly unique visitors on web and over ~14 million[2] unique monthly visitors on mobile browsers. Above and beyond this, the Moneycontrol mobile app occupies pride of place as the numero uno application amongst its finance and investing peers. This was reflected in it being awarded the Best Mobile App for Business at the GSMA Asia Awards in June 2017.

Constant innovations and improvements have led to Moneycontrol being the most trusted destination. With over 1.3 million concurrent users logging on Moneycontrol for budget updates is a testament of the fact that it is a go-to platform for all business and finance related news.

*7 News UV share comScore MMX Multi-Platform Feb 2018 - News/ Information Category*



Besides the above highlights, several initiatives have been undertaken and are being planned across product, technology and editorial capabilities.

News18 and News18 Regional

News18 currently offers content in English, Hindi, Gujarati, Urdu, Bengali, Kannada, Punjabi and Tamil. State-wise and region-wise segregation of news in user-friendly formats like photo stories, videos and podcasts have found favour with audiences, as can be showcased in the strong engagement metrics.

News18 has grown by leaps and bounds in the last one year, with its reader base growing by more than 200%[8] on both desktop and mobile. With over 75 million[8] monthly users, across desktop and mobile sites, News18 continues to show rapid progress towards breaking into the nation's top three news portals.

Its strong synergy with TV channel CNN-News18 is expected to boost News18 as the most preferred digital breaking news destination. The ramp-up in scale has been made possible with a strong focus on great user experiences and feature enhancements across its platforms, from the desktop site to the mobile site and the app. This has resulted in user engagement that is 40%[9] more than the competition's average, boding well for the brand and the product in the long-term.

News18 (English)'s initiative into original high definition video, immersive long-form content, political buzz news, 360 degree video for tech and auto is powered by a belief that innovation and powerful storytelling are critical to steal a march in the digital revolution.

Besides the investment in research and technology, News18 has also launched programming dedicated to critical niche audiences in areas such as Bollywood & Entertainment, Tech & Auto.

8 *Google Analytics, Feb 2018*
9 *comScore MoMX Feb 2018 - News/Information – General News Category*

Firstpost

With its best-in-class coverage and opinion content driving engagement round the year, Firstpost is now a leader amongst equals not only on the Indian stage but also globally. This is reflected in the performance metrics, with an approx. 83%[8] growth in average monthly audiences and a 16%[8] growth on average monthly page views across platform. Firstpost continues its stronghold on engagement, with users spending an average of 64%[9] more time vis-à-vis competition for every visit on mobile.

Riding the mobile wave, Firstpost has grown by over 117%[8] in terms of monthly unique users and by 192%[8] on Mobile pageviews since Feb 2017.

Expanding its footprint across genres, Firstpost has launched dedicated IPs to cater to different demographics. The platform has rolled-out Showsha.com for Bollywood-buffs, Firstcricket for sport fanatics and Firstculture to bring the country's diversity and culture to the fore. To add to that, the leading digital news portal has delivered path-breaking original content such as 9 Months, Tech2 Talks, Caraoke, WhatTheApp amongst others.

While the appreciation, audience preference and growth numbers stand testament to Firstpost's trajectory, its achievements in the form of awards at reputed platform only goes on to highlight the quality being delivered by the team. Firstpost has bagged Red Ink Awards for its extensive and in-depth coverage of Marathwada Drought. It also received the 'Best Series of Article – Digital' honour at Content Marketing Awards 2017 for its excellent coverage of the Rohingya refugees issue.

CNBCTV18.com

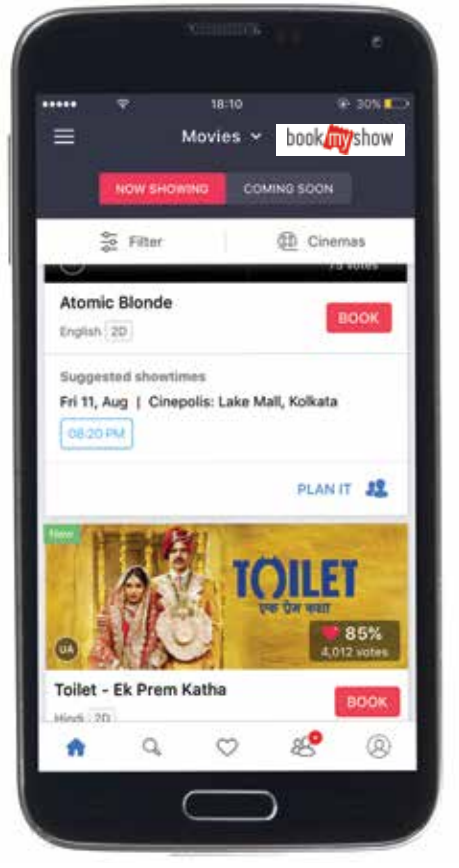
CNBCTV18.com is a premium digital platform offering a mix of original and smartly curated coverage of news, analysis and trends about the stock market, business and economy. It also offers fresh perspectives on entrepreneurship, leadership,

start-ups and other finer aspects of business and economy in various multimedia formats. The site has a separate weekend edition, which provides columns on food, books, parenting, health and fitness, women's special, luxury, travel as well as offbeat stories.

## Digital Commerce

BookMyShow

BookyMyShow is India's premier online ticketing platform, and has diversified into live events, sports/live event ticketing and F&B integrations. During the year, average page views clocked were 1.2 billion per month, a 30% increase in visits compared to that of FY17. This also helped in increase in the overall transactions to the tune of 15% YoY. BookMyShow has now extended its wings to Indonesia, UAE & Sri Lanka too.




Online ticketing saw its new heights with strong performance of films like "Baahubali 2 - The conclusion" at the box office, which registered all-time highest ticket sales for any movie on the platform. Other few impacting movies during the year were "Padmaavat" & "Tiger Zinda Hai", "Golmaal again" etc. BMS also saw a tremendous growth in the sales of southern region of India specially A.P. & Telangana due to some good screen onboarding and some great content driven movies.

BookMyShow has fared well in Events, Sports & Concerts section especially due the Mega cricket league - IPL and some big ticket events including the prestigious Justin Bieber concert & Percept - Road to Ultra Chain-smoker event which were held for the first time in India. It forayed into Live Events for the first time and has successfully managed the prestigious Ed Sheeran concert held at Mumbai which was held for the first time in India. BMS also successfully managed the A.R. Rahman 4 city India tour held at Mumbai, Ahmedabad, Delhi and Hyderabad.

BookMyShow has also entered into the Food & Beverage business setting up its own café at 4 cinemas. It also managed F&B for many events, some major events including Ed Sheeran and A.R. Rahman concerts, Mughal-e-Azam musical, Supersonic festival etc.

It also introduced its Superstar Loyalty Program to incentivise loyal customers and has on-boarded ~6 lakh customers in the programme.

HomeShop18

HomeShop18 is India's first comprehensive digital commerce player, selling credible brands to customers nationally through not just TV but also internet and mobile. As a pioneer, HomeShop18 changed the way Indians shop by launching India's first 24-hour Home Shopping TV channel in FY08.

During the year, HomeShop18 merged into itself the operations of peer ShopCJ, thereby becoming the largest TV shopping platform in India. The resultant benefits of scale shall better the growth

prospects for the combined entity, allowing it to improve its standing in the TV home-shopping landscape and compete better with the challenge from e-commerce players. HomeShop18 has optimised its operations substantially since the challenges faced in the last year; but the business continues to face headwinds. We believe multiple synergies with respect to sourcing, marketing and delivery can be exploited through a combination with Shop CJ, which shall further accelerate this process.

The shareholders of Shop CJ have been issued 25% equity in HomeShop18 through a share-swap, thus making Shop CJ a subsidiary of HomeShop18. Post the transaction, HomeShop18 has ceased to be a subsidiary of Network18 Media & Investments Ltd; however, Network18 shall continue to be the largest shareholder in the combined entity.

**Publishing**

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

Forbes India

Forbes India delivers sharp, in-depth and engaging stories by investing in the intellectual capital of business minds and viewing global and domestic issues through an Indian prism, thereby placing its readers ahead of the curve.

In FY17, Forbes India has seen a tremendous growth. As business practices in India mature and evolve, the focus is rapidly shifting towards sustainability, conscious capitalism and positive social impact, Forbes India launched its premier 'Forbes India Conversations' to highlight and provide insights on the importance of sustainability. It also introduced new concepts viz., Forbes India #Ideas2Act, Forbes India Risk Management Series and the Forbes India Leadership Agenda. Efficiently executing 25 events ranging from closed sessions to large scale IPs.

Over the past year, Forbes India has carved out an unparalleled niche as an influential and sought-after medium, in a business community that continues to evolve and expand in India.






Overdrive

OVERDRIVE continued to strengthen its existing portfolio of annual events and drives, also building upon its experiential products to deliver comprehensive strategic offerings for its consumers and clients.

- OVERDRIVE conducted the Jury Round selections and successfully partnered the 18th edition of the CNBC-TV18 OVERDRIVE AWARDS, where the best cars, bikes and scooters across defined categories were honoured. In addition to auto industry stalwarts, Nitin Gadkari - Minister for Road Transport & Railways; Dharmendra Pradhan - Minister for Petroleum & Natural Gas; Amitabh Kant - CEO, NITI Aayog were some of the esteemed guests in attendance
- OVERDRIVE hosted the 5th edition of the Independence Quattro drive in association with Audi, to the Ladakh region, where the Indian flag was proudly hoisted on Independence Day at Rezang La war memorial in the company of border army personnel
- Revamped OVERDRIVE website with an updated responsive design to seamlessly cater to viewing on all devices across desktops, mobiles and tablets, leading to increased content consumption and site engagement

Better Photography

BETTER PHOTOGRAPHY celebrated its 20th anniversary last year by ramping up its events and offerings through expanding on the properties instituted in previous years, significantly enhancing its brand awareness.

- The 2nd edition of the BETTER PHOTOGRAPHY - Wildlife India Photography Awards was held during the year. BETTER PHOTOGRAPHY also organised the Wildlife India Forum – a symposium on Indian wildlife photography, featuring an exciting lineup of talks, panel discussions, presentations and interactive sessions
- BETTER PHOTOGRAPHY workshops were held across multiple Tier-II cities in the country, educating participants in the nuances of enhancing their photography skills

better interiors

Better Interiors

BETTER INTERIORS is a definitive guide in the design domain – featuring stunning projects (residential, commercial, hospitality and retail) to new product information (in both lifestyle and building materials), industry news and trends, design fundamentals and do-it-yourself guides. It has grown to become an established name amongst a multitude of Indian interior design publications in the country. It enjoys the respect of and shares a good rapport with leading industry firms, architects, designers and has a roster spanning renowned clients like Godrej & Boyce, H&R Johnson, Häfele, Nitco, Pidilite, Whirlpool and Royal Touche.

## Content Creation & Production

COLOSCEUM

Colosseum

In its 10th year of operations, Colosseum has broken new ground in content creation for television and digital medium as well as forayed into events.

During the year, Colosseum has produced several popular TV shows across fiction and non-fiction categories as well as an award-winning short film. These included India's first devotional singing reality show "Om Shanti Om", new seasons of iconic youth reality TV shows 'Roadies' and 'Splitsvilla' which topped the ratings chart and fitness reality show "India's Asli Champion". Under the fiction genre, Colosseum created popular crime show "Crime Patrol" and a regional show about bravery of cops titled "Shourya". A short film produced by Colosseum and directed by critically-acclaimed director Neeraj Ghaywan titled "Juice" was released in current year. This film won Filmfare award for "Best Short Film". Colosseum also produced Indian leg of a Israeli travel show "Lets Travel". Colosseum has now produced over 2,300 hours of regional, national and international programming across media.

## CORPORATE SOCIAL RESPONSIBILITY

At Network18, Corporate Social Responsibility (CSR) is embedded in the long-term business strategy of the Company. The Company's CSR initiatives help elevate the quality of life of millions, especially the disadvantaged sections of the society. Network18 seeks to transform people's lives by promoting health and education and sports, the latter to empower the children and youth of the country.

Reliance Foundation acts as the funnel through which Network18 Group reaches out to empower people and deepen its social engagements. In FY 2017-18, the Company focussed on the following initiatives:

- "Young Champs" initiative aimed at providing training to sports persons to promote rural sports, Nationally recognised sports, Paralympic and Olympic sports
- Dhirubhai Ambani Scholarships programme through which financial assistance for education was provided in over 15 states of the country
- Health Outreach Programme through which preventive health was promoted by setting up 'Static Medical Units' in Mumbai

*Beach Cleaning Initiative by Viacom18*



## FINANCIAL PERFORMANCE

### Network18 Standalone

| Particulars (₹ Crore) | FY17-18 | FY16-17 | YoY |
|---|---|---|---|
| Operating Revenue | 70 | 67 | 5% |
| Operating Expenses | 142 | 122 | 16% |
| Operating EBITDA | -71 | -55 | NM |
| Other Income | 92 | 15 | 509% |
| EBITDA | 21 | -40 | NM |
| Finance Cost | 78 | 70 | 10% |
| Depreciation | 8 | 9 | -8% |
| PBT | -64 | -119 | NM |
| Tax | 0 | 0 | 0% |
| PAT | -65 | -119 | NM |

- Operating revenue rose 5% to ₹ 70 Crore, led by advertising weakness in the first-half.
- Operating expenses rose 16% YoY, driven by addition of new vernacular languages to News18.com.
- Operating loss widened to ₹ 71 Crore (vs ₹ 55 Crore last year) as a result. However, reported profitability improved as a result of gain on fair valuation of financial assets, included in other income.

### Network18 Consolidated

| Particulars (₹ Crore) | FY17-18 | FY16-17 | YoY |
|---|---|---|---|
| Operating Revenue | 1,839 | 1,491 | 23% |
| Operating Expenses | 1,882 | 1,629 | 16% |
| Operating EBITDA | -43 | -138 | NM |
| Other Income | 113 | 55 | 106% |
| EBITDA | 70 | -83 | NM |
| Finance Cost | 96 | 80 | 20% |
| Depreciation | 89 | 80 | 11% |
| PBT before Profit of JV / associates | -115 | -243 | NM |
| Profit of JV / associates | 3 | -18 | NM |
| PBT | -112 | -261 | NM |
| Tax | 62 | 10 | 544% |
| PAT | -174 | -271 | NM |
| Minority | -20 | -38 | NM |
| PAT (after Minority) | -154 | -233 | NM |

- Operating revenue rose 23% to 1,839 Crore, and Operating EBITDA loss shrunk to ₹ 43 Crore vs ₹ 138 Crore last year.
- Profitability levels continued to be impacted by gestation losses of properties launched over the past 3 years.
- The sharp revenue escalation is led by the impact of subsidiary TV18 acquiring control of entertainment JV Viacom18, partly offset by HomeShop18 ceasing to be a subsidiary due to its share-swap acquisition of Shop CJ during the last quarter of the fiscal.
- On a comparable basis (by consolidating Viacom18 and deconsolidating HomeShop18 throughout), Network18 revenue rose 16% in FY 2017-18. Comparable (restated) operating EBITDA also rose to ₹ 187 crore, compared to ₹ 132 crore last fiscal, led by reduction in losses in home-shopping and a stellar year for movie production.

| Restated (₹ Crore) | FY17-18 | FY16-17 | YoY |
|---|---|---|---|
| Operating Revenue | 5,027 | 4,333 | 16% |
| Operating EBITDA | 187 | 132 | 42% |

## HUMAN RESOURCE DEVELOPMENT

Your Company's Human Resource Management systems and processes are aimed at attracting, developing, nurturing and retaining its single largest asset – human capital. It continues to focus on creating an engaging and high-performance work culture and a strong talent pipeline.

In the Talent Acquisition space, your Company further strengthened its Employer brand on campus and in the job market through multiple initiatives. We expanded our base of campuses that we visit for recruitment and were the employer of choice across all premiere journalism schools. The campus selection process was further standardised and refined, with the combination of psychometric tools and multiple selection rounds. To speed up the time-to-productivity of the trainees, a comprehensive induction and on-boarding programme was deployed, which provides cross-functional exposure to the new joiners.

The rigour of the selection process was improved by introducing background verification process for the senior hires. Additionally, your Company was able to achieve significant savings in the replacement costs of new hires.

Our journey of making the HR function more technology driven continues on track. While SAP was launched in the last financial year, we continued to improve the system to enhance its employee friendliness. A Mobility platform (app) was launched this year to facilitate the processing of travel, attendance, leaves, reimbursements etc.

Our people are the key to truly realising the organisation's potential. We continually strive to enable employees to realise their own potential within the organisation's setup, by providing growth opportunities and extensive trainings. The learning and development initiatives of your Company are forward-looking and work towards not just bridging the skill-competency gaps but equally towards

*Young Media Professionals at work*



equipping employees with skills for the future. We deployed a leading online learning platform to provide our employees easy access to a vast library of engaging courses and help them achieve their personal and professional goals. Also, to encourage growth of internal talent and cater to the evolving aspirations of our employees, internal movements were facilitated through internal job postings.

Your Company's Performance Management system and processes contribute vastly towards enhancing the business performance as well as the employee's engagement levels and their perception of fairness. We ensured that the organisation level goals were cascaded down to employees through a structured goal-setting process. The assessment process has constructive feedbacks and identification of development areas as its cornerstone – which helps guide employees towards the journey of improvement. Performance is also linked commensurately with the reward mechanisms. Initiatives were undertaken to ensure high employee engagement and involvement, and to promote employee health and well-being, while developing a more inclusive culture.

As of March 31, 2018, there were 3,000 employees on the rolls of your Company.

### Headcount

| | As of March 31, 2018 | As of March 31, 2017 |
|---|---|---|
| Network18 | 618 | 490 |

In the coming year, the focus will be on further automation and technology improvements. A comprehensive framework around succession planning, leadership and career development would be deployed to develop a new breed of future leaders.

## RISK MANAGEMENT

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

## RISKS AND MITIGATION STRATEGY

### Digitisation Regime

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

### Regulatory Environment

The Indian broadcast industry is heavily regulated across a multitude of areas including distribution, taxation, etc. Any policy changes can have a material impact on the economic and strategic direction of the industry and may restrict Network18's ability to do business.

### Competitive Forces

The emergence of digital media, along with growth of mobile and radio, is causing a shift in part of the advertising revenue away from television. With their greater local connect and more measurable reach index, such media are drawing in considerable advertising from sectors such as FMCG and BFSI.

### Advertising Revenue

Advertising being a major source of revenue generation, any decline in advertising revenues could adversely impact Network18's revenue and operating results. Network18's primary revenue generation is linked with the sale of advertisements through television channels, which is dependent

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

### Third-Party Relations/JV/ Partnerships

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

### Brand Recognition and Popularity

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

### Mitigation Strategy

Network18 has an exciting portfolio of quality content and is continuously working on strengthening its content bouquet to reap the benefits of digitisation. Cognisant of the importance to remain abreast of changes in the regulatory environment, Network18 is constantly evolving its operational strategy to align it with the transforming dynamics of the industry in the context of policy changes. Strong risk mechanisms are in place to ensure continued high levels of operational efficiencies and effectiveness in the changed environment. Network18 is also expanding its portfolio and focussing on other forms of revenue by expanding in the digital space. It is also strengthening its processes and systems to ensure cost effectiveness. Network18 is further keeping a sharp focus on cost-control without sacrificing scale. It is also continuously expanding its content basket to capture advertising interest and revenue. Network18 has in place a strong risk management system and stringent organisation policies that its employees are required to adhere to at all times. This ensures that its reputation remains protected and maintained.

## INTERNAL CONTROL SYSTEMS

Network18 has exhaustive internal control systems that are aligned to its business requirements. Network18 regularly monitors the risks and has in place focussed risk mitigation strategies. Internal and external audit teams continuously monitor the adequacy and effectiveness of the internal control environment across Network18 and the status of compliance with operating systems, internal policies and regulatory requirements. The Audit Committee meets periodically to review the adequacy and efficacy of the internal control systems.



# BOARD'S REPORT

## Dear Members,

The Board of Directors are pleased to present the 23rd Annual Report and the Company's Audited Financial Statement for the financial year ended March 31, 2018.

## Financial Results

The financial performance of the Company (Standalone and Consolidated) for the year ended March 31, 2018 is summarized below:

**(₹ in crore)**

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2017-18 | 2016-17 | 2017-18 | 2016-17 |
| Revenue from operations | 70.36 | 66.86 | 1839.00 | 1491.04 |
| Profit / (loss) before interest and depreciation | 20.95 | (39.75) | 72.43 | (101.09) |
| Less: Interest | 77.55 | 70.37 | 96.24 | 80.17 |
| Depreciation | 7.88 | 8.53 | 88.74 | 79.90 |
| Profit/(loss) before tax | (64.48) | (118.65) | (112.55) | (261.16) |
| Less: Tax Expenses* (* includes current tax, deferred tax, short/ excess provision of tax relating to earlier years) | - | 0.04 | 61.93 | 9.63 |
| **Profit/(loss) for the year** | **(64.48)** | **(118.69)** | **(174.48)** | **(270.79)** |
| Add: Other Comprehensive Income | 1.27 | 0.14 | 7.35 | 9.96 |
| **Total Comprehensive Income for the Year** | **(63.21)** | **(118.55)** | **(167.13)** | **(260.83)** |
| Less: Total Comprehensive Income attributable to Non Controlling Interest (recovery) | | | (17.65) | (41.78) |
| **Total Comprehensive Income Attributable to Owners of the Company** | | | **(149.48)** | **(219.05)** |
| Less: Appropriation (Transfer to General Reserve) | - | - | - | - |
| **Earnings Per Share (Basic) (in ₹)** | **(0.62)** | **(1.13)** | **(1.49)** | **(2.25)** |

## Results of operations and the State of Company's affairs

During the year under review, the Company recorded an operating turnover of ₹ 70.36 crore (previous year ₹ 66.86 crore). The consolidated revenue from operations was ₹ 1839.00 crore as against ₹ 1491.04 crore in previous year. The Profit before interest, depreciation and tax (PBIDT) on standalone basis stood at ₹ 20.95 crore.

The Company consolidated its operations and continued to enhance its prominence in the Media and Entertainment sector during a challenging year for the industry. Despite competitive pressures, the Company reported revenue from operation of ₹ 1,839 crore and PBIDT of ₹ 72.43 crore on a consolidated basis.

## Dividend

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

The Dividend Distribution Policy of the Company is annexed as **Annexure I** to this Report.

## Deposits

The Company has discontinued accepting fresh Fixed Deposits or renewing any deposits w.e.f. April 1, 2014. The Company has repaid all fixed deposits and interest thereon. However, as on March 31, 2018, deposits including interest thereon aggregating to ₹ 2.16 crore remained unclaimed.

## Scheme of Merger

The Scheme for Merger by Absorption (the "Scheme") for merger of Digital18 Media Limited, Capital18 Fincap Private Limited, RVT Finhold Private Limited, RRK Finhold Private Limited, RRB Investments Private Limited, Setpro18 Distribution Limited, Reed Infomedia India Private Limited, Web18 Software Services Limited, Television Eighteen Media and Investments Limited, Television Eighteen Mauritius Limited, Web18 Holdings Limited, E18 Limited and Network18 Holdings Limited into Network18 Media & Investments Limited with appointed date as 1st April, 2016, has been filed with National Company Law Tribunal, Mumbai Bench (NCLT), for approval. The Company has decided to continue Colosseum Media Private Limited, a wholly owned subsidiary of the Company and has filed the Scheme accordingly. Upon receipt of approval, the scheme shall be given effect to, in the financial statements of the Company.

The aforesaid Scheme was filed with NCLT post receipt of 'No Objection' from Reserve Bank of India for merger of Company's foreign subsidiaries with the Company.

## Material Changes Affecting the Company

There have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report .There has been no change in the nature of business of the Company.

## Management's Discussion and Analysis Report

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

## Credit Rating

CARE Ratings Limited (CARE) – the Credit Rating Agency, has assigned following Credit Ratings to the Company:

| Particulars | Ratings |
|---|---|
| Long Term/Short Term Bank Facilities of ₹ 1000 crore | CARE AAA; Stable/CARE A1+ (Triple A); Outlook: Stable/A One Plus |
| Commercial Paper issue of ₹ 1500 Crore | CARE A1+ (A One Plus) |

ICRA Limited – the Credit Rating Agency, has assigned following Credit Ratings of he Company:

| Particulars | Ratings |
|---|---|
| Long-term Borrowings of ₹ 500 crore | [ICRA] AAA (pronounced ICRA triple A) Outlook: Stable |
| Long-term /short-term fund /non-fund based limits of ₹ 500 crore | Long-term - [ICRA] AAA (pronounced as ICRA triple A); Outlook: Stable Short-term - [ICRA] A1+ (pronounced as ICRA A One Plus) |
| Commercial Paper issue of ₹ 1500 crore | [ICRA] A1+ (pronounced as ICRA A One Plus) |

## Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India ("SEBI").

The detailed Corporate Governance Report of the Company in pursuance of the Listing Regulations forms part of the Annual Report of the Company. The requisite Certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached to the Corporate Governance Report.

## Business Responsibility Report

The Business Responsibility Report as stipulated under the Listing Regulations, describing initiatives taken by the Company from an environmental, social and governance perspective, is attached as part of the Annual Report.

## Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, Mr. P.M.S. Prasad, Non-Executive Director, retires by rotation at ensuing Annual General Meeting of the Company.

Ms. Jyoti Deshpande was appointed as an Additional Director (Non-Executive) w.e.f. March 21, 2018 and she shall hold office as an Additional Director of the Company up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing her candidature for appointment at the ensuing Annual General Meeting as a Non-executive Director, liable to retire by rotation.

The aforesaid re-appointment and appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors of the Company.

Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh were appointed as Independent Directors of the Company for a period of 5 years and their first term of office as Independent Director will expire on July 6, 2019. Based on recommendation of the Nomination and Remuneration Committee, the Board has recommended their respective re-appointments for a second term of 5 consecutive years upon expiry of their first term on July 6, 2019.

During the year under review, Mr. K. R. Raja, Non-Executive Director, resigned from the Directorship of the Company w.e.f. March 21, 2018. The Board places on record its appreciation for the valuable contribution made by him during his tenure as Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act read with Regulation 16 of Listing Regulations.

Save and except aforementioned, there was no other change in Directors and Key Managerial Personnel of the Company.

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

a) Policy for selection of Directors and determining Directors Independence; and

b) Remuneration Policy for Directors, Key Managerial Personnel and other employees.

## Performance Evaluation

The Company has formulated a policy for performance evaluation of Independent Directors, Board, Committees and other individual directors. The evaluation process *inter-alia* considers attendance at meetings, acquaintance with business, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc.

On the basis of aforesaid policy, the process of performance evaluation of the Board, Committee, Individual Directors (including Independent Directors) and Chairperson was carried out. The Chairperson of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees. The report on performance evaluation of the Individual Directors was reviewed by the Chairperson of the Board and feedback was given to Directors.

## Consolidated Financial Statement

In accordance with the provisions of the Act, the Listing Regulations and Ind AS 110 – Consolidated Financial Statements read with Ind AS 28 – Investments in Associates and Ind AS 31 – Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

## Subsidiaries / Joint Ventures / Associate Companies

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

During the year under review, NW18 HSN Holdings Plc, Cyprus and TV18 Home Shopping Network Limited ceased to be subsidiaries of the Company and became associate companies of the Company.

The performance and financial information of the Subsidiary Companies / Joint Ventures / Associate Companies is provided as Annexure to the Consolidated Financial Statement.

The audited Financial Statement including the Consolidated Financial Statement and related information of the Company are available on Company's website, www.network18online.com. The financial statement of each of the subsidiaries of the Company may also be accessed at Company's website www.network18online.com. These documents will also be available for inspection on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours at registered office of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the same is placed on the website at http://www.network18online.com/reports/policies/Policy%20for%20determining%20Material%20Subsidiaries1.pdf.

## Secretarial Standards

The Company has complied with the provisions of the applicable Secretarial Standards, i.e. SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings).

## Directors' Responsibility Statement

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

i) in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable Accounting Standards read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the loss of the Company for the year ended on that date;

iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the Directors have prepared the annual accounts of the Company for the financial year ended March 31, 2018 on a 'going concern' basis;

v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Number of Meetings of the Board

During the financial year ended on March 31, 2018, five (5) Board Meetings were held. Further, details of the meetings of the Board and its Committees are given in Corporate Governance Report, forming part of the Annual Report.

## Audit Committee

The Audit Committee of the Company comprises Mr. Adil Zainulbhai (Chairman), Mr. Dhruv Subodh Kaji, Ms. Nirupama Rao and Mr. P.M.S. Prasad. During the year all the recommendations made by the Audit Committee were accepted by the Board.

## Risk Management

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

Further details on Risk Management are given in report on Management's Discussion and Analysis Report, which forms part of the Annual Report.

## Internal Financial Controls

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

The internal financial controls have been embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, continuous monitoring by functional leaders as well as testing of the internal financial control systems by the internal auditors during the course of their audits.

The Audit Committee reviews adequacy and effectiveness of Company's Internal Controls and monitors the implementations of audit recommendations.

## Corporate Social Responsibility

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

The CSR policy of the Company is available on its website and may be accessed at the link: http://www.network18online.com/reports/policies/Network18%20-%20Policy%20on%20Corporate%20Social%20Responsibility.pdf

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

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

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

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

## Vigil Mechanism

The Company promotes ethical behavior in all its business activities. Towards this, the Company has adopted a policy on Vigil Mechanism and Whistle Blower. The Company has constituted an Ethics & Compliance Task Force to process and investigate a protected disclosure made under the policy. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice or victimization. The Audit Committee oversees the Vigil Mechanism. The policy on Vigil Mechanism and Whistle Blower is available on the Company's website and may be accessed at the link: http://www.network18online.com/reports/policies/vigilmechanism_whistleblower_NW18_F.PDF

## Related Party Transactions

All the related party transactions were entered on arms' length basis and were in the ordinary course of business. Further, the transactions with related parties were in compliance with applicable provisions of the Act and the Listing Regulations. Omnibus approval was obtained for the transactions which were foreseen and repetitive in nature. A statement of all related party transaction was presented before the Audit Committee on a quarterly basis.

During the year, the Company had not entered into any contract/ arrangement/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. The policy on materiality of related party transactions and on dealing with Related Party Transactions is posted on the Company's website and may be accessed at the link: http://www.network18online.com/reports/policies/Policy%20of%20Materiality%20of%20Related%20Party%20Transactions%20and%20on%20Dealing%20with%20Related%20Party%20Transactions%20new.pdf

The details of the transactions with Related Parties are provided in Note No. 32 to the standalone financial statements.

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

Details of Loans given, Investments made, Guarantees given and Securities provided by the Company, along with the purpose for which the Loan or guarantee or security is proposed to be utilized by the recipients are provided in Standalone Financial Statement. Please refer Note No. 2, 3, 7, 11, 32 and 34 to the standalone financial statement.

## Auditor and Auditors' Report

### Statutory Auditor

Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Regn No.117366W/W-100018) were appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years at the Annual General Meeting held on September 25, 2017. The Company has received confirmation from them to the effect that they are not disqualified for holding the office of the Auditors.

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

### Cost Auditor

The Board had appointed M/s Pramod Chauhan & Associates, Cost Accountants as the Cost Auditors of the Company for the financial year 2017-18 for conducting the audit of the Cost Records of the Company.

### Secretarial Auditor

The Board had appointed M/s Chandrasekaran Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018, is annexed with this report and marked as **Annexure III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

## Particulars of Employees and Related Information

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

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also form part of this Report.

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

## Extract of Annual Return

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

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

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

**a) Conservation of Energy**

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

**b) Technology Absorption**

The Company is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of the Company are made aware of the latest working techniques and technologies through workshops, group e-mails, and discussion sessions for optimum utilization of available resources and to improve operational efficiency. The Company is not engaged in manufacturing activities therefore, certain disclosures on technology absorption and conservation of energy etc. are not applicable.

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

**c) Foreign Exchange Earnings and Outgo**

During the year under review the Company earned ₹ 5.32 crore of foreign exchange and used ₹ 4.31 crore of foreign exchange, both on actual basis.

## General

During the year under review:

1. The Company had not issued any equity shares with differential voting rights as to dividend, voting or otherwise.
2. The Company had not issued any shares (including sweat equity shares) to employees of the Company under any scheme. Voting rights on the shares issued to employees in earlier years under Employee Stock Option Schemes of the Company are either exercised by them directly or through their appointed proxy.
3. No significant and/or material order was passed by any Regulator/ Court/Tribunal which impacts the going concern status of the Company or its future operations.
4. No fraud has been reported by Auditors to the Audit Committee or the Board.

## Acknowledgment

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 24, 2018

**Adil Zainulbhai**
Chairman

# ANNEXURE I

## Dividend Distribution Policy

The Board of Directors (the "Board") of Network18 Media & Investments Limited (the "Company") at its meeting held on July 18, 2017 has adopted this Dividend Distribution Policy (the "Policy") as required by Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

### OBJECTIVE

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend.

### CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended shall take into consideration the advice of the executive management of the Company and the planned and further investments for growth apart from other parameters set out in this Policy.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

### PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Retained Earnings
- Earnings outlook for next three to five years
- Expected future capital / liquidity requirements
- Any other relevant factors and material events

The Board of Directors of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

- Macro-economic environment - Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates
- Regulatory changes – Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged
- Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged

### UTILISATION OF RETAINED EARNINGS

The Company shall endeavor to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

### PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

### CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the regulations, the regulations shall prevail.

### AMENDMENTS

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and regulations or as deemed fit on a review.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 24, 2018

**Adil Zainulbhai**
Chairman

# ANNEXURE IIA

## Policy for Selection of Directors and determining Directors Independence

**1. Introduction**

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

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

**2. Scope and Purpose:**

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

**3. Terms and References:**

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

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

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

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

**4. Policy:**

**4.1 Qualifications and criteria**

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

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

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

The proposed appointee shall also fulfil the following requirements:

- Shall possess a Director's Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Board Committee ("Committee") Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate,

firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Listing Regulations and other relevant laws.

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

**4.2 Criteria of Independence**

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

The criteria of independence, as laid down in Companies Act, 2013 and the Listing Regulations, is as below:

An Independent Director in relation to a company, means a Director other than a Managing Director or a Whole-Time Director or a Nominee Director –

a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

c. who, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. who, neither himself nor any of his relatives-

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

(v) is a material supplier, service provider or customer or a lessor or a lessee of the company.

f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, Corporate Governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.

g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013 and the Listing Regulations.

h. who is not less than 21 years of age.

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

**4.3. Other Directorships / Committee Memberships**

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

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

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

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

For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013, shall be excluded.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 24, 2018

**Adil Zainulbhai**
Chairman

# ANNEXURE IIB

**Remuneration Policy for Directors, Key Managerial Personnel and other employees**

**1. Introduction:**

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

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

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

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

**2. Scope and Purpose:**

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

**3. Terms and References:**

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

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

3.2 **"Key Managerial Personnel"** means

(i) the Chief Executive Officer or the Managing Director or the Manager;

(ii) the Company Secretary;

(iii) the Whole-Time Director

(iv) the Chief Financial Officer; and

(v) such other Officer as may be prescribed under the Companies Act, 2013.

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

**4. Policy:**

**4.1 Remuneration to Executive Directors and Key Managerial Personnel**

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

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

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

(i) Basic pay

(ii) Perquisites and allowances

(iii) Stock options

(iv) Commission (applicable in case of Executive Directors)

(v) Retiral benefits

(vi) Annual performance bonus

(vii) Other perquisites/facilities (including loans/advances) as per the prevalent policies and practices of the Company

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

performance bonus will be approved by the Nomination and Remuneration Committee based on the achievements against the annual plan and objectives.

**4.2. Remuneration to Non-Executive Directors**

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

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

**4.3. Remuneration to other Employees**

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

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 24, 2018

**Adil Zainulbhai**
Chairman

# ANNEXURE III

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

The Members
**Network18 Media & Investments Limited**
First Floor, Empire Complex,
414- Senapati Bapat Marg,
Lower Parel Mumbai – 400013

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; **Not Applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

(vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/ Industry are:

1. The Press and Registration of Books Act, 1867;

2. Ministry of Information and Broadcasting Guidelines relating to:

(i) Publication of Foreign Newspapers and Periodicals Dealing with News and Current Affairs;

(ai) Publication of Facsimile Edition of Foreign Newspapers.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

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

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

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

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

We further report that during the audit period following major event have happened which is deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

(i) The Scheme for Merger by Absorption (the 'Scheme') for merger of Digital18 Media Limited, Capital18 Fincap Private Limited, RVT Finhold Private Limited, RRK Finhold Private Limited, RRB Investments Private Limited, Setpro18 Distribution Limited, Reed Infomedia India Private Limited, Web18 Software Services Limited, Television Eighteen Media and Investments Limited, Television Eighteen Mauritius Limited, Web18 Holdings Limited, E18 Limited and Network18 Holdings Limited into Network18 Media & Investments Limited with appointed date as 1st April, 2016, has been filed with National Company Law Tribunal, Mumbai Bench, for approval. The Company has decided to continue Colosseum Media Private Limited, a wholly owned subsidiary of the Company and has filed the Scheme accordingly.

For **Chandrasekaran Associates**
Company Secretaries

**Rupesh Agarwal**
Partner
Membership No. 16302
Certificate of Practice No. 5673

Date: 12.04.2018
Place: New Delhi

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

# ANNEXURE-A

The Members
**Network18 Media & Investments Limited**
First Floor, Empire Complex,
414- Senapati Bapat Marg,
Lower Parel Mumbai – 400013

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries

Rupesh Agarwal
Partner
Membership No. 16302
Certificate of Practice No. 5673

Date: 12.04.2018
Place: New Delhi

# ANNEXURE IV

## Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**
**As on the Financial Year ended on March 31, 2018**
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

## I. REGISTRATION AND OTHER DETAILS

| | | |
|---|---|---|
| i) | CIN | L65910MH1996PLC280969 |
| ii) | Registration Date | 16/02/1996 |
| iii) | Name of the Company | Network18 Media & Investments Limited |
| iv) | Category / Sub-Category of the Company | Public Company limited by Shares |
| v) | Address of the Registered Office and contact details | First Floor, Empire Complex, 414 - Senapati Bapat Marg, Lower Parel, Mumbai - 400 013<br>Tel: +91 22 4001 9000 / 6666 7777 |
| vi) | Whether listed company | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Karvy Computershare Private Limited<br>"Karvy Selenium" Tower B, 6th Floor, Plot 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032<br>Tel: +91 40 6716 1700<br>Toll Free No.: 1800 425 8998 (from 9:00 a.m.to 6.00 p.m)<br>Fax No.: +91 40 6716 1680<br>Email: nwminvestor@karvy.com<br>Website: www.karvycomputershare.com |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are given below:

| Sl. No. | Name and Description of main Products/Services | NIC Code of the Product/Service* | % to total turnover of the Company |
|---|---|---|---|
| 1 | Advertisement & Sponsorship | 63122 | 82.19% |
| 2 | Magazines Advertisement & Sales revenue | 58132 | 11.59% |

*As per National Industrial Classification- 2008, Ministry of Statistics and Programme Implementation

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No. | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held[1] | Applicable Section |
|---|---|---|---|---|---|---|
| 1. | AETN18 Media Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U74300MH2010PTC274878 | Subsidiary | 51 | 2(87)(ii) |

| S. No. | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held[1] | Applicable Section |
|---|---|---|---|---|---|---|
| 2. | Capital18 Fincap Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2006PTC281472 | Subsidiary | 100 | 2(87)(ii) |
| 3. | Colosceum Media Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U74120MH2007PTC273464 | Subsidiary | 100 | 2(87)(ii) |
| 4. | Digital18 Media Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U22130MH2007PLC274705 | Subsidiary | 100 | 2(87)(ii) |
| 5. | E-18 Limited | 5th Floor, Ebene Esplanade , 24, Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 6. | e-Eighteen.com Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U99999MH2000PLC274703 | Subsidiary | 91.95 | 2(87)(ii) |
| 7. | Equator Trading Enterprises Private Limited | Unit No. 501, 5th Floor, Tower- 1,One Indiabulls Centre, Jupiter Textile Mills, Elphinstone Road, Mumbai - 400 013 | U52390MH2008PTC177456 | Subsidiary | 100 | 2(87)(ii) |
| 8. | Greycells18 Media Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2006PLC274887 | Subsidiary | 74.22 | 2(87)(ii) |
| 9. | ibn18 Mauritius Limited | 5th Floor, Ebene Esplanade , 24, Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 10. | IBN Lokmat News Private Limited * | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2007PTC281111 | Subsidiary | 50 | 2(87)(ii) |
| 11. | IndiaCast Media Distribution Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U74300MH2008PTC274364 | Subsidiary | 100 | 2(87)(ii) |
| 12. | IndiaCast UK Limited | Suite 02.13, Avanta Harrow, 79, College Road, Harrow, HA1 1BD, United Kingdom | NA | Subsidiary | 100 | 2(87)(ii) |
| 13. | IndiaCast US Limited | 4th Floor, 100 Town Square Place, Suite 401,Jersey City, NJ 07310 | NA | Subsidiary | 100 | 2(87)(ii) |
| 14. | Infomedia Press Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | L22219MH1955PLC281164 | Subsidiary | 50.69 | 2(87)(ii) |

| S. No. | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held[1] | Applicable Section |
|---|---|---|---|---|---|---|
| 15. | Moneycontrol Dot Com India Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U67120MH1999PLC120771 | Subsidiary | 100 | 2(87)(ii) |
| 16. | Network18 Holdings Limited | 5th Floor, Ebene Esplanade, 24 Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 17. | Panorama Television Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U64204MH1996PTC281176 | Subsidiary | 100 | 2(87)(ii) |
| 18. | Reed Infomedia India Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U22110MH2006PTC160864 | Subsidiary | 100 | 2(87)(ii) |
| 19. | Roptonal Limited | Diomidous, 10 Alphamega Akropolis Building, 3rd Floor, Flat/ Office 401, P.C. 2024, Nicosia, Cyprus | NA | Subsidiary | 100 | 2(87)(ii) |
| 20. | RRB Investments Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2007PTC274713 | Subsidiary | 100 | 2(87)(ii) |
| 21. | RRK Finhold Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2007PTC273463 | Subsidiary | 100 | 2(87)(ii) |
| 22. | RVT Finhold Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U65923MH2008PTC273537 | Subsidiary | 100 | 2(87)(ii) |
| 23. | RVT Media Private Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U30007MH2007PTC274883 | Subsidiary | 100 | 2(87)(ii) |
| 24. | Setpro18 Distribution Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U74899MH1993PLC273530 | Subsidiary | 100 | 2(87)(ii) |
| 25. | Television Eighteen Media and Investment Limited | 5th Floor, Ebene Esplanade, 24 Bank Street, Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 26. | Television Eighteen Mauritius Limited | 5th Floor, Ebene Esplanade, 24 Bank Street, Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 27. | TV18 Broadcast Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | L74300MH2005PLC281753 | Subsidiary | 51.17 | 2(87)(ii) |

| S. No. | Name of the Company | Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held[1] | Applicable Section |
|---|---|---|---|---|---|---|
| 28. | Viacom18 Media Private Limited | Zion Bizworld, Subhash Road- A, Vile Parle (East), Mumbai - 400 057 | U92100MH1995PTC095508 | Subsidiary | 51 | 2(87)(ii) |
| 29. | Viacom18 US Inc | 2711 Centerville Rd, Ste 400, Wilmington, De 19808 | NA | Subsidiary | 100 | 2(87)(ii) |
| 30. | Viacom18 Media (UK) Limited | Unit 1, Concord Business Centre, Concord Road, London - W3 0TJ, UK | NA | Subsidiary | 100 | 2(87)(ii) |
| 31. | Web18 Holdings Limited | 5th Floor, Ebene Esplanade, 24 Cyber City, Ebene, Mauritius | NA | Subsidiary | 100 | 2(87)(ii) |
| 32. | Web18 Software Services Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U72200MH2006PLC274714 | Subsidiary | 100 | 2(87)(ii) |
| 33. | Aeon Learning Private Limited | No. 2561, 16th D Main, HAL 2nd Stage, Indiranagar, Banglore, Karnataka – 560038 | U80301KA2013PTC070683 | Associate | 20.47 | 2(6) |
| 34. | Big Tree Entertainment Private Limited | Wajeda House, Ground Floor, Gulmour Cross Road 7, Near Tian Restaurant, Juhu Scheme, Mumbai - 400 049 | U99999MH1999PTC120990 | Associate | 39.07 | 2(6) |
| 35. | Eenadu Television Private Limited | 1-10-76, Fair Fields Begumpet Hyderabad, Telangana- 500016 | U92111TG1991PTC012643 | Associate | 24.50 | 2(6) |
| 36. | NW18 HSN Holdings Plc | 10, Diomidous Street, Alphamega Akropolis Building, 3rd Floor, office 401, 2024 , Nicosia, Cyprus. | NA | Associate | 41.20 | 2(6) |
| 37. | TV18 Home Shopping Network Limited | First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 | U93091MH2006PLC281105 | Associate | 43.64 | 2(6) |
| 38. | Ubona Technologies Private Limited | No. 442, 1st & 3rd Floor, 17th Cross, Sector 4, HSR Layout, Banglore, Karnataka – 560102 | U72200KA2007PTC043665 | Associate | 50 | 2(6) |
| 39. | 24 X 7 Learning Private Limited | COWORK, 24 7,#201/202, 1st AA Cross, 2nd Main Road, Kasturinagar Bangalore – 560043 | U80302KA2001PTC029172 | Associate | 37.23 | 2(6) |

1. Representing aggregate % of shares held by the Company and/or its subsidiaries
* Holding is more than 50% of total paid-up share capital

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

### i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 01.04.2017) | | | | No. of Shares held at the end of the year (As on 31.03.2018) | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoters** | | | | | | | | | |
| **(1) Indian** | | | | | | | | | |
| a) Individual/ HUF | - | - | - | - | - | - | - | - | - |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 765567588 | - | 765567588 | 73.12 | 765567588 | - | 765567588 | 73.12 | - |
| e) Banks/FI | - | - | - | - | - | - | - | - | - |
| f) Any other | | | | | | | | | |
| (f-i)Trusts – Independent Media Trust (Held in the name of its trustee – Sanchar Content Private Limited) | 19643801 | - | 19643801 | 1.88 | 19643801 | - | 19643801 | 1.88 | - |
| **Sub - Total (A) (1) :-** | **785211389** | **-** | **785211389** | **75.00** | **785211389** | **-** | **785211389** | **75.00** | **-** |
| **(2) Foreign** | | | | | | | | | - |
| a) NRIs – Individuals | - | - | - | - | - | - | - | - | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other | - | - | - | - | - | - | - | - | - |
| **Sub - Total (A) (2)** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Shareholding of Promoter(A) = (A)(1) + (A)(2)** | **785211389** | **-** | **785211389** | **75.00** | **785211389** | **-** | **785211389** | **75.00** | **-** |
| **B. Public Shareholding** | | | | | | | | | |
| **1. Institutions** | | | | | | | | | |
| a) Mutual Funds | 30394942 | 72 | 30395014 | 2.90 | 24739942 | 72 | 24740014 | 2.36 | (0.54) |
| b) Banks/FI | 239306 | 62 | 239368 | 0.02 | 746426 | 62 | 746488 | 0.07 | 0.05 |
| c) Central Govt. | - | - | - | - | - | - | - | - | - |
| d) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | 187629 | - | 187629 | 0.02 | 187629 | - | 187629 | 0.02 | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others | | | | | | | | | |
| (i-i) Foreign Portfolio Investors | 29810089 | - | 29810089 | 2.85 | 36441020 | - | 36441020 | 3.48 | 0.63 |
| **Sub-total (B)(1)** | **60631966** | **134** | **60632100** | **5.79** | **62115017** | **134** | **62115151** | **5.93** | **0.14** |

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 01.04.2017) | | | | No. of Shares held at the end of the year (As on 31.03.2018) | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **2. Non-Institutions** | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 109101249 | 3179 | 109104428 | 10.42 | 114261851 | 772 | 114262623 | 10.91 | 0.49 |
| ii) Overseas | 1564 | - | 1564 | - | 1564 | - | 1564 | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakh | 26902439 | 172377 | 27074816 | 2.59 | 26971173 | 133793 | 27104966 | 2.59 | - |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh | 26675919 | - | 26675919 | 2.55 | 36554367 | - | 36554367 | 3.49 | 0.94 |
| (c) Others | | | | | | | | | |
| (c-i) Non Resident Indians | 1124462 | 812 | 1125274 | 0.11 | 2937022 | 272 | 2937294 | 0.28 | 0.17 |
| (c-ii) Foreign Corporate Bodies | - | - | - | - | - | - | - | - | - |
| (c-iii) Foreign Nationals | 871 | - | 871 | - | - | - | - | - | - |
| (c-iv) Clearing Member | 3396399 | - | 3396399 | 0.32 | 1159116 | - | 1159116 | 0.11 | (0.21) |
| (c-v) Unclaimed Shares Suspense Account- Regulation 39 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 * | 14845 | - | 14845 | - | 14845 | - | 14845 | - | - |
| (c-vi) Investor Education and Protection Fund (IEPF) Authority# | - | - | - | - | 68527 | - | 68527 | 0.01 | 0.01 |
| (c-vii) Employee Trusts | 16551014 | - | 16551014 | 1.58 | - | - | - | - | (1.58) |
| (c-viii) Trusts | 11591436 | 13 | 11591449 | 1.11 | 11594448 | 13 | 11594461 | 1.11 | 0.00 |
| (c-ix) HUF | 5568449 | 2 | 5568451 | 0.53 | 5924214 | 2 | 5924216 | 0.57 | 0.03 |
| **Sub - Total (B) (2)** | **200928647** | **176383** | **201105030** | **19.21** | **199487127** | **134852** | **199621979** | **19.07** | **(0.14)** |
| **Total Public Shareholding (B) = (B)(1) + (B)(2)** | **261560613** | **176517** | **261737130** | **25.00** | **261602144** | **134986** | **261737130** | **25.00** | **0.00** |
| **C. Shares held by Custodian for GDRs & ADRs** | - | - | - | - | - | - | - | - | - |
| **Grand Total (A+B+C)** | **1046772002** | **176517** | **1046948519** | **100.00** | **1046813533** | **134986** | **1046948519** | **100.00** | - |

* The voting rights on these shares shall remain frozen till the rightful owners claims the shares [Refer to Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

# The Voting Rights on these shares shall remain frozen till the rightful owner claims the shares (Refer to Section 124 of the Companies Act, 2013)

**(ii) Shareholding of Promoters / Promoter Group**

| S. No. | Shareholder's Name | Shareholding at the beginning of the year (As on 01.04.2017) | | | Shareholding at the end of the year (As on 31.03.2018) | | | % change in shareholding during the Year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the Company | %of Shares Pledged/ encumbered to total shares | |
| 1. | RB Mediasoft Private Limited | 127560417 | 12.18 | - | 127560417 | 12.18 | - | - |
| 2. | RB Media Holdings Private Limited | 127528586 | 12.18 | - | 127528586 | 12.18 | - | - |
| 3. | Adventure Marketing Private Limited | 127528287 | 12.18 | - | 127528287 | 12.18 | - | - |
| 4. | Colorful Media Private Limited | 127528287 | 12.18 | - | 127528287 | 12.18 | - | - |
| 5. | Watermark Infratech Private Limited | 127528287 | 12.18 | - | 127528287 | 12.18 | - | - |
| 6. | RRB Mediasoft Private Limited | 108515123 | 10.36 | - | 108515123 | 10.36 | - | - |
| 7. | Teesta Retail Private Limited | 19378601 | 1.85 | - | 19378601 | 1.85 | - | - |
| 8. | Reliance Industries Limited | - | - | - | - | - | - | - |
| 9. | RB Holdings Private Limited | - | - | - | - | - | - | - |
| 10. | Reliance Industrial Investments and Holdings Limited | - | - | - | - | - | - | - |
| 11. | Independent Media Trust (held in the Name of its Trustee-Sanchar Content Private Limited) | 19643801 | 1.88 | - | 19643801 | 1.88 | - | - |
| | **Total** | **785211389** | **75.00** | **-** | **785211389** | **75.00** | **-** | **-** |

Shareholders listed above are Promoters as per disclosure received under Regulation 30(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as on March 31, 2018

**(iii) Change in Promoters' Shareholding**

| Sl. No. | Particulars | Shareholding at the beginning of the year (As on 01.04.2017) | | Change in the Shareholding during the year | | | Cumulative Shareholding during the year (As on 31-03-2018) | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the Company | No. of Shares | % of total shares of the Company | Date of Change | No. of shares | % of total shares of the Company |
| 1 | Shareholding of the Promoter/ Promoter Group | 785211389 | 75.00 | - | - | - | 785211389 | 75.00 |

Note: There is no change in the total shareholding of promoters between April 01, 2017 to March 31, 2018

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

| S. No. | Name of Shareholder's | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares at the beginning (01.04.2017)/ end of the year (31.3.2018) | % of total shares of the Company | | | | No. of shares | % of total shares of the Company |
| 1 | Nexg Ventures India Private Limited | 51078443 | 4.88 | 1-Apr-2017 | | | | |
| | | | | 1-Dec-2017 | -191828 | Transfer | 50886615 | 4.86 |
| | | | | 8-Dec-2017 | -851091 | Transfer | 50035524 | 4.78 |
| | | | | 15-Dec-2017 | -258500 | Transfer | 49777024 | 4.75 |
| | | | | 22-Dec-2017 | -2198581 | Transfer | 47578443 | 4.54 |
| | | | | 29-Dec-2017 | -563313 | Transfer | 47015130 | 4.49 |
| | | | | 5-Jan-2018 | -227135 | Transfer | 46787995 | 4.47 |
| | | | | 12-Jan-2018 | -209552 | Transfer | 46578443 | 4.45 |
| | | 46578443 | 4.45 | 31-Mar-2018 | | | 46578443 | 4.45 |
| 2 | Arizona Global Services Private Limited | 31154186 | 2.98 | 1-Apr-2017 | | No movement during the year | | |
| | | 31154186 | 2.98 | 31-Mar-2018 | - | | 31154186 | 2.98 |
| 3 | ACACIA Banyan Partners | 26351424 | 2.52 | 1-Apr-2017 | - | No movement during the year | | |
| | | 26351424 | 2.52 | 31-Mar-2018 | | | 26351424 | 2.52 |
| 4 | HDFC Trustee Company Limited A/C Mutual Funds | 29894929 | 2.86 | 1-Apr-2017 | | | | |
| | | | | 1-Sep-2017 | -95240 | Transfer | 29799689 | 2.85 |
| | | | | 8-Sep-2017 | -840760 | Transfer | 28958929 | 2.77 |
| | | | | 15-Sep-2017 | -764000 | Transfer | 28194929 | 2.69 |
| | | | | 9-Mar-2018 | -3955000 | Transfer | 24239929 | 2.32 |
| | | 24239929 | 2.32 | 31-Mar-2018 | | | 24239929 | 2.32 |
| 5 | Network18 Media Trust (Held in the name of its Trustee) | 11586762 | 1.11 | 1-Apr-2017 | - | No movement during the year | | |
| | | | | | | | | |
| | | 11586762 | 1.11 | 31-Mar-2018 | | | 11586762 | 1.11 |
| 6 | Indsec Securities and Finance Limited * | - | - | 1-Apr-2017 | | | - | - |
| | | | | 3-Nov-2017 | 4500000 | Transfer | 4500000 | 0.43 |
| | | 4500000 | 0.43 | 31-Mar-2018 | | | 4500000 | 0.43 |
| 7 | Vibgyor Investors and Developers Private Limited * | - | - | 1-Apr-2017 | | | - | - |
| | | | | 28-Apr-2017 | 1000000 | Transfer | 1000000 | 0.10 |
| | | | | 21-Sep-2017 | 100000 | Transfer | 1100000 | 0.11 |
| | | | | 13-Oct-2017 | 900000 | Transfer | 2000000 | 0.19 |
| | | | | 10-Nov-2017 | 1000000 | Transfer | 3000000 | 0.29 |
| | | | | 1-Dec-2017 | 500000 | Transfer | 3500000 | 0.33 |
| | | | | 8-Dec-2017 | 500000 | Transfer | 4000000 | 0.38 |
| | | 4000000 | 0.38 | 31-Mar-2018 | | | 4000000 | 0.38 |

| S. No. | Name of Shareholder's | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares at the beginning (01.04.2017)/ end of the year (31.3.2018) | % of total shares of the Company | | | | No. of shares | % of total shares of the Company |
| 8 | Bright Star Investments Private Limited | 3000000 | 0.29 | 1-Apr-2017 | - | No movement during the year | | |
| | | 3000000 | 0.29 | 31-Mar-2018 | | | 3000000 | 0.29 |
| 9 | MV SCIF Mauritius * | - | - | 1-Apr-2017 | - | - | - | - |
| | | | | 16-Mar-2018 | 1031138 | Transfer | 1031138 | 0.10 |
| | | | | 23-Mar-2018 | 1815396 | Transfer | 2846534 | 0.27 |
| | | 2846534 | 0.27 | 31-Mar-2018 | | | 2846534 | 0.27 |
| 10 | Parmesh Finlease Limited | 2496554 | 0.24 | 1-Apr-2017 | | | | |
| | | | | 3-Nov-2017 | 3000000 | Transfer | 5496554 | 0.53 |
| | | | | 24-Nov-2017 | -310038 | Transfer | 5186516 | 0.50 |
| | | | | 1-Dec-2017 | -2689962 | Transfer | 2496554 | 0.24 |
| | | 2496554 | 0.24 | 31-Mar-2018 | | | 2496554 | 0.24 |
| 11 | Bhadra Jayantilal Shah # | 1450000 | 0.14 | 1-Apr-2017 | - | No movement during the year | | |
| | | 1450000 | 0.14 | 31-Mar-2018 | | | 1450000 | 0.14 |
| 12 | Network18 Group Senior Professional Welfare Trust (Held in the name of the Trustee) # | 15922729 | 1.52 | 1-Apr-2017 | | | | |
| | | | | 27-Oct-2017 | -15922729 | Transfer | - | |
| | | - | - | 31-Mar-2018 | | | - | - |
| 13 | Pace Stock Broking Services Private Limited # | 2186041 | 0.21 | 1-Apr-2017 | | | | |
| | | | | 7-Apr-2017 | 265013 | Transfer | 2451054 | 0.23 |
| | | | | 14-Apr-2017 | -11079 | Transfer | 2439975 | 0.23 |
| | | | | 21-Apr-2017 | -8771 | Transfer | 2431204 | 0.23 |
| | | | | 28-Apr-2017 | -235954 | Transfer | 2195250 | 0.21 |
| | | | | 5-May-2017 | -1000 | Transfer | 2194250 | 0.21 |
| | | | | 12-May-2017 | 1000 | Transfer | 2195250 | 0.21 |
| | | | | 19-May-2017 | -8514 | Transfer | 2186736 | 0.21 |
| | | | | 26-May-2017 | -1163 | Transfer | 2185573 | 0.21 |
| | | | | 9-Jun-2017 | -25 | Transfer | 2185548 | 0.21 |
| | | | | 16-Jun-2017 | -1000 | Transfer | 2184548 | 0.21 |
| | | | | 23-Jun-2017 | 9276 | Transfer | 2193824 | 0.21 |
| | | | | 30-Jun-2017 | -9336 | Transfer | 2184488 | 0.21 |
| | | | | 7-Jul-2017 | -570 | Transfer | 2183918 | 0.21 |
| | | | | 14-Jul-2017 | 75 | Transfer | 2183993 | 0.21 |

| S. No. | Name of Shareholder's | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-2017 to 31-03-2018) | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares at the beginning (01.04.2017)/ end of the year (31.3.2018) | % of total shares of the Company | | | | No. of shares | % of total shares of the Company |
| | | | | 21-Jul-2017 | 20 | Transfer | 2184013 | 0.21 |
| | | | | 28-Jul-2017 | 1520 | Transfer | 2185533 | 0.21 |
| | | | | 18-Aug-2017 | -5 | Transfer | 2185528 | 0.21 |
| | | | | 25-Aug-2017 | 180 | Transfer | 2185708 | 0.21 |
| | | | | 1-Sep-2017 | -1880 | Transfer | 2183828 | 0.21 |
| | | | | 8-Sep-2017 | -370 | Transfer | 2183458 | 0.21 |
| | | | | 15-Sep-2017 | 100 | Transfer | 2183558 | 0.21 |
| | | | | 21-Sep-2017 | -50 | Transfer | 2183508 | 0.21 |
| | | | | 29-Sep-2017 | -50 | Transfer | 2183458 | 0.21 |
| | | | | 13-Oct-2017 | 22631 | Transfer | 2206089 | 0.21 |
| | | | | 20-Oct-2017 | 189815 | Transfer | 2395904 | 0.23 |
| | | | | 27-Oct-2017 | -24274 | Transfer | 2371630 | 0.23 |
| | | | | 31-Oct-2017 | -111017 | Transfer | 2260613 | 0.22 |
| | | | | 3-Nov-2017 | -50000 | Transfer | 2210613 | 0.21 |
| | | | | 10-Nov-2017 | -1405 | Transfer | 2209208 | 0.21 |
| | | | | 17-Nov-2017 | 1250 | Transfer | 2210458 | 0.21 |
| | | | | 1-Dec-2017 | -138 | Transfer | 2210320 | 0.21 |
| | | | | 8-Dec-2017 | 48193 | Transfer | 2258513 | 0.22 |
| | | | | 15-Dec-2017 | -2222550 | Transfer | 35963 | 0.00 |
| | | | | 22-Dec-2017 | -10536 | Transfer | 25427 | 0.00 |
| | | | | 29-Dec-2017 | 402350 | Transfer | 427777 | 0.04 |
| | | | | 5-Jan-2018 | 30000 | Transfer | 457777 | 0.04 |
| | | | | 19-Jan-2018 | 100050 | Transfer | 557827 | 0.05 |
| | | | | 2-Feb-2018 | -49463 | Transfer | 508364 | 0.05 |
| | | | | 9-Feb-2018 | -2037 | Transfer | 506327 | 0.05 |
| | | | | 16-Feb-2018 | -50500 | Transfer | 455827 | 0.04 |
| | | | | 23-Feb-2018 | 350 | Transfer | 456177 | 0.04 |
| | | | | 2-Mar-2018 | -8 | Transfer | 456169 | 0.04 |
| | | | | 9-Mar-2018 | -2000 | Transfer | 454169 | 0.04 |
| | | | | 16-Mar-2018 | 76796 | Transfer | 530965 | 0.05 |
| | | | | 23-Mar-2018 | -1846 | Transfer | 529119 | 0.05 |
| | | | | 30-Mar-2018 | 963 | Transfer | 530082 | 0.05 |
| | | 530082 | 0.05 | 31-Mar-2018 | | | 530082 | 0.05 |

* Not in the list of top 10 shareholders as on 01.04.2017. The same has been reflected above since the shareholder was one of the top 10 shareholders as on 31.03.2018

# Ceased to be in the list of top 10 shareholders as on 31.03.2018. The same is reflected above since the shareholder was one of the top 10 shareholders as on 01.04.2017

### (v) Shareholding of Directors and Key Managerial Personnel:

None of the Directors / Key Managerial Personnel held any share in the Company.

## V. INDEBTEDNESS

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

(₹ in lacs)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year (01.04.2017)** | | | | |
| i) Principal Amount | 240 | 1,12,884 | - | 1,13,124 |
| ii) Interest due but not paid | - | 1733 | - | 1733 |
| iii) Interest accrued but not due | - | - | - | - |
| **Total (i+ii+iii)** | **240** | **1,14,617** | **-** | **1,14,857** |
| **Change in Indebtedness during the financial year** | | | | |
| • Addition | - | 5,32,801 | - | 5,32,801 |
| • Reduction | 240 | 5,20,663 | * | 5,20,903 |
| **Net Change** | **(240)** | **12,138** | **-** | **11,898** |
| **Indebtedness at the end of the financial year (31.03.2018)** | | | | |
| i) Principal Amount | - | 1,26,474 | - | 1,26,474 |
| ii) Interest due but not paid | - | 281 | - | 281 |
| iii) Interest accrued but not due | - | - | - | - |
| **Total (i+ii+iii)** | **-** | **1,26,755** | **-** | **1,26,755** |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

During the year, the Company did not have any Managing Director or Whole Time Director. The Manager of the Company was not paid any remuneration from the Company during the year.

### B. Remuneration to other Directors:

(₹ In lacs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | | | Total Amount |
|---|---|---|---|---|---|---|---|---|
| 1. | **Independent Directors** | **Deepak Shantilal Parekh** | **Adil Zainulbhai** | **Rajiv Krishan Luthra** | **Dhruv Subodh Kaji** | **Nirupama Rao** | **Prasoon Joshi[1]** | |
| | Sitting Fee for attending Board/ Committee Meetings* | 8.00 | 14.00 | 6.00 | 12.00 | 5.00 | 3.00 | 48.00 |
| | Commission | - | - | - | - | - | - | - |
| | Others | - | - | - | - | - | - | - |
| | **Total (1)** | **8.00** | **14.00** | **6.00** | **12.00** | **5.00** | **3.00** | **48.00** |

(₹ In lacs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|---|---|---|---|---|---|
| 2. | **Other Non-Executive Directors** | **Jyoti Deshpande[2]** | **K.R. Raja[3]** | **P.M.S. Prasad** | |
| | Sitting Fee for attending Board /Committee Meetings* | 1.00 | 4.00 | 7.00 | 12.00 |
| | Commission | - | - | - | - |
| | Others | - | - | - | - |
| | **Total (2)** | **1.00** | **4.00** | **7.00** | **12.00** |
| | **Total (B) = (1 + 2)** | | | | **60.00** |
| | **Total Managerial Remuneration** | | | | **60.00** |
| | Ceiling as per the Act | The Company can pay a sitting fee of ₹ 1,00,000 to each of the Directors for attending each meeting of the Board and its Committees. | | | |
| | Overall Ceiling as per Act | Not applicable as the Company is in loss (However, if Company desires so, the remuneration may be paid to Managerial Personnel of the Company in accordance with schedule V to the Companies Act, 2013 ) | | | |

[1]Ceased to be Director w.e.f. September 13, 2017
[2] Appointed as an Additional Director w.e.f. March 21, 2018
[3]Ceased to be Director w.e.f. March 21, 2018
*Exclusive of applicable taxes, if any

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**

During the year, none of the Key Managerial Personnel was paid any remuneration from the Company.

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 24, 2018

**Adil Zainulbhai**
Chairman

# BUSINESS RESPONSIBILITY REPORT

The Company is pleased to present its Business Responsibility Report for the financial year ended March 31, 2018.

At Network18 Media & Investments Limited ("Network18" or "the Company") business priorities co-exist with social commitments. Being, primarily, engaged in the business of digital commerce and sale of magazines, the Company seeks to touch and transform people's lives by raising issues affecting common man. The Company continuously aims to achieve long term value for its stakeholders by conducting its business in a socially responsible and ethical manner and engaging itself in deep social engagements.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

| | | |
|---|---|---|
| 1. | **Corporate Identity Number (CIN)** | L65910MH1996PLC280969 |
| 2. | **Name of the Company** | Network18 Media & Investments Limited |
| 3. | **Registered Office Address** | First Floor, Empire Complex,414- Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 |
| 4. | **Website** | www.network18online.com |
| 5. | **Email ID** | investors.n18@nw18.com |
| 6. | **Financial Year Reported** | April 1, 2017 – March 31, 2018 |

**7. Sector(s) that the Company is engaged in (Industrial Activity Code-Wise)**

The Company is mainly engaged in the business of digital commerce and sale of magazines i.e. falling into the categories of "Advertising & Sponsorship" and "Magazines Advertisement & Sales Revenue" with National Industrial Classification (NIC 2008 Codes) as 63122 and 58132 respectively of Ministry of Statistics and Programme Implementation.

**8. Key Products/Services that the Company manufactures/ provides (as in Balance Sheet)**

The Company, being into the Media & Entertainment space, operates web portals and sells magazines. The Company primarily earns its revenue from advertisement and sponsorship and sale of magazines and other related services.

**9. Total number of Locations where business activity is undertaken by the Company**

i) Number of International locations: Company's international business operations are carried out by various direct and in-direct subsidiaries overseas through their offices (including representative office and/or distribution arrangement) in United Kingdom and USA.

ii) Number of National Locations: Indian operations of the Company are carried out over 10 offices located in major cities of the Country including Mumbai, Bangalore, Chennai, Kolkata, Noida and Chandigarh etc.

**10. Markets served by the Company**

The Company through its subsidiaries reaches to more than 700 million television viewers through its 53 channels in India. In addition, it also operates 16 international channels across news and entertainment, catering to the global Indian Diaspora. Further, its Digital properties are used by more than 80 million Indians every month.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

| | | | |
|---|---|---|---|
| 1. | **Paid-up Capital** | : | ₹ 523.47 crore |
| 2. | **Total Turnover** | : | ₹ 70.36 crore |
| 3. | **Total Profit/(Loss) after Taxes** | : | ₹ (64.48) crore |
| 4. | **Total spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)** | : | Nil* |
| 5. | **List of activities in which expenditure in 4 above has been incurred** | : | NA |

*Owing to losses in the relevant years, the Company was not required to spend money on CSR, as per the provisions of the Companies Act, 2013.

## SECTION C: OTHER DETAILS

**1. Subsidiary company/companies**

As at March 31, 2018, the Company has 32 subsidiary companies, details of which are given in the Board's Report.

**2. Participation of Subsidiary company/companies in the Business Responsibility initiatives of the Parent Company**

The Company encourages participation of its subsidiary companies to participate in its group- wide Business

Responsibility (BR) initiatives. As a responsible corporate citizen, the Company promotes sustainable and inclusive development. Company's subsidiaries namely, TV18 Broadcast Limited, e-Eighteen.com Limited and IBN Lokmat News Private Limited, which are required to undertake CSR activities, under the provisions of Companies Act, 2013 are aligned with the CSR activities of the Group.

3. **Participation and percentage of other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, in the BR initiatives of the Company**

The Company recognises the fact that the stakeholders have ability to influence the way a Company is perceived. The Company engages with several stakeholders in the value chain. Considering the nature of operations of the Company, number of such entities is not very significant and would be less than 30%.

## SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

### a) Details of the Director/Directors responsible for implementation of the BR policy/policies

The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for implementation of BR policies of the Company. The members of CSR Committee are:

- DIN: 06646490
  Name: Mr. Adil Zainulbhai
  Designation: Independent Director – Chairman of Committee
- DIN: 00022285
  Name: Mr. Rajiv Krishan Luthra
  Designation: Independent Director
- DIN: 00012144
  Name: Mr. P.M.S. Prasad
  Designation: Non- Executive Director

### b) Details of the BR Head:

| Sl. No. | Particulars | Details |
|---|---|---|
| 1 | DIN Number | 06646490 |
| 2 | Name | Mr. Adil Zainulbhai |
| 3 | Designation | Chairman, Corporate Social Responsibility Committee |
| 4 | Telephone | +91 22 6666 7777/4001 9000 |
| 5 | Email ID | Adil.Zainulbhai@nw18.com |

2. **Principle-wise (As per NVGs) BR Policy/Policies**

a) Details of Compliance (Reply Yes/No )

| Sl. No | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Do you have a Policy / Policies for ... | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2 | Has the Policy been formulated in consultation with the relevant stakeholders? | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3 | Does policy conform to any national /international standards? If yes, specify | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4 | Has the policy been approved by the Board? If yes, has it been signed by MD/ CEO/ appropriate Board Director? | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 5 | Does the Company have a specified committee of the Board/Director/ Official to oversee implementation of the policy? | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

| Sl. No | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|
| 6 | Indicate the link for the policy to be viewed online | Linkages of these policies with BR principles are given below. The policies are available at Company's website www.network18online.com, the weblinks of which are :<br>**Corporate Social Responsibility Policy** – http://www.network18online.com/reports/policies/Network18%20-%20Policy%20on%20Corporate%20Social%20Responsibility.pdf<br>**Our Code** – http://www.network18online.com/reports/policies/Code%20Conduct.pdf<br>**Code of Conduct** - http://www.network18online.com/reports/policies/Code%20Conduct.pdf | | | | | | | | |
| 7 | Has the policy been formally communicated to all relevant internal and external stakeholders? | The policies have been communicated to the Company's internal and external stakeholders. BR policies are communicated through this report and are also available online at the web link mentioned at point no. 6 above. Further, the Company is also exploring other modes of formal channels to communicate with other relevant stakeholders. | | | | | | | | |
| 8 | Does the Company have in-house structure to implement the policy? | Policies are engrained in all day-to-day business operations of the Company and are implemented at all Management levels. CSR Committee of the Board of Directors monitors implementation of the policies. | | | | | | | | |
| 9 | Does the Company have a grievance redressal mechanism related to the policy to address stakeholders grievances related to the policy? | Yes, CSR Committee of the Board of Directors is responsible for addressing the grievances of the stakeholders. | | | | | | | | |
| 10 | Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? | Policies are evaluated regularly by Senior Management. | | | | | | | | |

## Linkages of various Company Policies with BR principles as per NVG

| Principle No. | NVG Principle | Reference Document | Reference Section |
|---|---|---|---|
| 1 | Businesses should conduct and govern themselves with Ethics, Transparency and Accountability | Code of Conduct | Sections 2, 3, 5 and 7 |
| | | Our Code | Section 3 |
| 2 | Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle. | Our Code | Section 5 |
| | | Corporate Social Responsibility Policy | Sections 1 and 2 |
| 3 | Businesses should promote the well-being of all employees. | Code of Conduct | Sections 3, 4, 6 and 8 |
| 4 | Businesses should respect interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised. | Code of Conduct | Sections 5 and 6 |
| | | Our Code | Section 5 |
| | | Corporate and Social Responsibility Policy | Section 4 |
| 5 | Businesses should respect and promote human rights. | Code of Conduct | Sections 6 and 8 |
| | | Our Code | Section 5 |
| 6 | Business should respect, protect, and make efforts to restore the environment. | Corporate Social Responsibility Policy | Section 4 |
| | | Code of Conduct | Section 3 |
| | | Our Code | Section 5 |

| Principle No. | NVG Principle | Reference Document | Reference Section |
|---|---|---|---|
| 7 | Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner. | Code of Conduct | Section 5 |
| 8 | Businesses should support inclusive growth and equitable development. | Our Code | Section 5 |
| | | Corporate Social Responsibility Policy | Section 3 |
| 9 | Businesses should engage with and provide value to their customers and consumers in a responsible manner. | Code of Conduct | Section 5 |
| | | Our Code | Sections 2 and 5 |

**3. Governance related to BR**

**a) Frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company**

The CSR Committee and the Board of Directors annually assesses the Company's BR performance.

**b) Publication of BR or Sustainability report, hyperlink for viewing this report and frequency of publication**

The BR report is available at the website of the Company and may be accessed at the link http://www.network18online.com/noticesevents.html

## SECTION E: PRINCIPLE-WISE PERFORMANCE

## PRINCIPLE 1

**BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

**1. Coverage of Policy relating to ethics, bribery and corruption (viz. Joint Ventures, Suppliers, Contractors, NGOs/Others)**

At Network18, the Code of Conduct serves as a guiding policy to all the employees of the Company and subsidiaries across all levels and grades. The Company has adequate control measures in place to address issues relating to ethics, bribery and corruption in the context of appropriate policy. This mechanism includes directors, senior executives, officers, employees (whether, permanent, contractual or temporary) and third parties including suppliers, contractors & business partners associated with Network18. The Company has a well-defined policy which spells out principles on ethical business conduct, definitions and the framework for reporting concerns.

**2. Stakeholders' complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management**

During the financial year 2017-18, 1 (One) complaint was received from investor, which have been resolved. Additionally on an ongoing basis the complaints / grievances / views from viewers and other stakeholders are dealt with by respective functions within the Company.

## PRINCIPLE 2

**BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE**

**1. Products or services whose design has incorporated social or environmental concerns, risks and / or opportunities**

The broadcasting services and distribution of contents as carried by the Network18 Group are in compliance with applicable regulations/advisories issued by Ministry of Information and Broadcasting and the self- regulatory guidelines/advisories issued by the Indian Broadcasting Federation (IBF) and its arm Broadcasting Content Complaint's Council (BCCC) and News Broadcasters Association (NBA) from time to time.

**2. For each such product, details in respect of resource use including a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain and b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

As a service provider, the operations of the Company requires minimal energy consumption. Continuous efforts are being made to reduce the consumption of energy, viz. use of low energy consuming LED lights is being encouraged

at workplace. The Company and its employees ensure that there is optimum utilisation of the available resources (like water, energy etc.).

3. **Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably**
The Company maintains a healthy relationship with its content providers, vendors and other suppliers and the business policies of the Company include them in its growth. The process of vendor registration lays emphasis on conformity of safe working conditions, prevention of child labour and business ethics by the vendor.

4. **Steps taken to procure goods and services from local and small producers, including communities surrounding place of work and steps taken to improve the capacity and capability of local and small vendors**
Most of the business operations of the Company are carried out from commercial hubs of the Country. The content provider and other goods and service providers required for the day-to-day operations are sourced from local vendors and small producers, which has contributed to their growth. Additionally, the Company encourages the participation of the local talent in production of contents for its business.

5. **Mechanism to recycle products and waste and the percentage of recycling of products and waste (Separately as <5%, 5-10%, >10%).**
The Company being a service provider, its operations does not involve discharge of any effluent or waste.

## PRINCIPLE 3

**BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES**

1. **Total number of employees:**
As on March 31, 2018, the total number of employees was 618.

2. **Total number of employees hired on temporary/ contractual/casual basis**:
During the year 2017-18, 17 employees were hired on temporary/contractual /casual basis.

3. **Number of permanent women employees:**
As on March 31, 2018, the total number of permanent women employees was 184.

4. **Number of permanent employee with disabilities:**
As on March 31, 2018, the total number of employees with permanent disabilities was Nil.

5. **Employee association recognized by management**
No employee association exists.

6. **Percentage of permanent employees that are members of recognized employee association**
Not Applicable, as there is no recognized employee association.

7. **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**
No cases of child labour, forced labour, involuntary labour, discriminatory employment and sexual harassment were reported in the last financial year. The Company has in place the Prevention of Sexual Harassment (POSH) Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, which ensures a free and fair enquiry process with clear timelines. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. Further, the Company has an Internal Complaints Committee where employees can register their complaints against sexual harassment.

8. **Percentage of above mentioned employees who were given safety and skill up-gradation training in the last year**
Training and development of people is given high importance in Network18. The Company organizes various training sessions in-house on a regular basis and also sponsors its employees to attend training sessions organized by external professional bodies to facilitate upgradation of skills of employees handling relevant functions, basic fire and safety training etc. During the year, around 25% of employees received formal training of safety and 63% of employees received formal training on skill upgradation.

## PRINCIPLE 4

**BUSINESSES SHOULD RESPECT INTEREST OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED**

1. **Mapping of Internal and External Stakeholders**
The Company has mapped its internal and external stakeholders, the major/key categories include (i) Government and regulatory authorities; (ii) Employees; (iii) Consumers; (iv) Suppliers; (v) Investors, Shareholders and Lendors; (vi) Local Community; (vii) NGOs.

The Company believes that the stakeholder's engagement process is necessary for achieving its sustainability goal of inclusive growth. Stakeholder's engagement helps in attaining better understanding of the perspectives on key issues and builds a strong relationship with them. The Company seeks timely feedback and response through formal and informal channels of communication to ensure that the stakeholders' information remains updated.

2. **Identification of the disadvantaged, vulnerable and marginalised stakeholders**
The Company has identified disadvantaged, vulnerable and marginalised stakeholders.

3. **Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders**
Network18 believes in sustainable and inclusive development of the society. It has taken the path of inclusive development to address the societal issues and engage with the disadvantaged, vulnerable and marginalised stakeholders. The Company extends its support beyond the business activities to the marginalised and vulnerable groups through its various social initiatives.

## PRINCIPLE 5

**BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

1. **Coverage of the Company's policy on human rights and its extension to the Group/Joint ventures/Suppliers/ Contractors/NGOs/Others**
Network18's code of conduct demonstrates its commitment towards the preservation of human rights across the value chain. The Company believes that a sustainable organisation rests on foundation of business ethics and respect for human rights. Network18 promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse. There were no reported complaints during financial year 2017-18.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**
There were no complaints reported on violation of any Human rights during the financial year 2017-18.

## PRINCIPLE 6

**BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

1. **Coverage of the policy related to principle 6 and its extension to the Group/Joint ventures/Suppliers/ Contractors/NGOs/Others**
Network18 is committed to environmental causes. The Company encourages its employees, subsidiaries, joint ventures and other associates to play their part in protecting environment and make it a priority. The Company, as an ongoing process is continuously taking several green initiatives at all its office locations.

2. **Company's strategies/initiatives to address global environmental issues such as climate change, global warming, etc.**
Network18 endeavours to identify and harness alternative and renewable energy sources. Energy efficiency in operations is one of the key focus areas at all locations. A dedicated group works continuously to identify and develop energy efficiency joint ventures and other associates.

The Company adheres to all legal requirements and norms of energy conservation and other environmental conservation standards stipulated by the Regulatory authorities.

3. **Identification and Assessment of potential environmental risks**
The Company, being a service provider, is not involved in any manufacturing activity, thereby limiting the scope of handling the environmental risks of any kind. However, the Company is committed to safety and protecting the environment in which it operates.

4. **Company's initiatives towards Clean Development Mechanism**
As the Company is not involved in any manufacturing activity, no specific project related to Clean Development Mechanism has been undertaken by it. However, the Company ensures that due importance is given to energy efficiency.

5. **Company's initiatives on – Clean Technology, Energy Efficiency, Renewable Energy etc.**
The Company is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of the Company are made aware of the latest working techniques and technologies through workshops, group e-mails, and discussion sessions for optimum utilisation of available resources and to improve operational efficiency.

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

6. **Reporting on the emissions/waste generated by the Company as per the permissible limits given by CPCB/ SPCB**
   The Company being a service provider, does not involve any manufacturing activity, hence this requirement is not applicable on it.

7. **Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year**
   No show cause/legal notice has been received from CPCB/SPCB.

## PRINCIPLE 7

**BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

1. **Representation in any Trade and Chambers or Association**
   The Company is a Member of Internet and Mobile Association of India.

2. **Advocated/Lobbied through above associations for advancement or improvement of public good**
   The Company has been active in various business associations and supports / advocates on various issues which affects the industry and consumers.

## PRINCIPLE 8

**BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

1. **Specified programmes/initiatives/projects by the Company in pursuit of the policy related to Principle 8**
   Network18, as a responsible corporate citizen, promotes sustainable and inclusive development.

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

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

   During financial year 2017-18, the subsidiaries of the Company have taken CSR activities in the field of rural sport and nationally recognised sports in compliance with the provisions of the Companies Act, 2013.

2. **Modes through which programmes/projects undertaken (through in-house team/own foundation/ external NGO/ government structures/any other organisation)**
   The CSR projects of Network18 Group are carried out through Reliance Foundation.

3. **Impact assessment of initiatives**
   The Company is in the process of establishing suitable framework to capture the impact (social/ economic and developmental) of its initiatives.

4. **Company's direct contribution to Community Development Projects**
   The Company did not yield any profits during the previous three financial years, in terms of Section 135 of the Companies Act, 2013, therefore, it was not required to spend any amount on CSR activities. However, this did not deter the Company from undertaking charitable and social welfare activities during the year.

   To mention a few of such activities undertaken during the year 2017-18:

   - Organised free lunch(s), for public in general, as a charitable step to fulfil the needs of the needy;
   - Supported NGOs by helping them put stalls in the Company's premises, which subsequently aided them to sell their products and helped them in their cause

5. **Steps undertaken to ensure that Community Development initiatives is successfully adopted by the community**
   Engagement and participation of Community is encouraged by Network18. Adequate steps are taken to ensure that community development/CSR initiatives of the Company are successfully adopted by the Community.

## PRINCIPLE 9

**BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER**

1. **Percentage of customer complaints/ consumer cases as on the end of financial year**
   There are no material consumer cases / customer complaints outstanding as at the end of financial year.

2. **Product information and Product labelling**
   The Company does not sell any product, hence it is not applicable. However, the Company complies with all regulatory requirements relating to its business.

3. **Cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as at end of financial year**
   No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years which is pending as at end of financial year March 31, 2018.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**
   The nature of Company's business does not require any consumer survey. However, the Company does take adequate steps to obtain feedback/ suggestions of its customers.

# CORPORATE GOVERNANCE REPORT

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

## 1. Company's Philosophy on Code of Governance

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

The Company believes that sound Corporate Governance is critical to enhance and retain investors' trust. The Company's Corporate Governance philosophy is based on the following core values of the Company:

1. Customer Value
2. Ownership Mindset
3. Respect
4. Integrity
5. One Team
6. Excellence

The Company complies with all statutory and regulatory requirements on Corporate Governance and has constituted the requisite committees to look into issues of financial reporting, investor grievances, corporate social responsibilities and executive remuneration. This attitude of Network18 has strengthened the bond of trust with its stakeholders including the society at large.

**Ethics / Governance Policies**

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

- Code of Conduct
- Code to Regulate, Monitor and Report Trading by Insiders
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Vigil Mechanism and Whistle-Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Corporate Social Responsibility Policy
- Policy for Selection of Directors and Determining Directors Independence
- Remuneration Policy for Directors, Key Managerial Personnel and other employees
- Policy for Determining Material Subsidiaries
- Dividend Distribution Policy
- Website Archival Policy
- Policy for Preservation of Documents
- Policy on Determination and Disclosure of Materiality of Events and Information
- Policy on Board Diversity
- Policy for Performance Evaluation of Independent Directors, Board, Committees and other Individual Directors

## 2. Board of Directors

**Board composition and category of Directors:**

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

| Category | Name of Directors |
|---|---|
| Independent Directors | Mr. Adil Zainulbhai – Chairman |
| | Mr. Deepak Shantilal Parekh |
| | Ms. Nirupama Rao |
| | Mr. Dhruv Subodh Kaji |
| | Mr. Rajiv Krishan Luthra |
| Non-Executive Non-Independent Directors | Mr. P.M.S. Prasad |
| | Ms. Jyoti Deshpande[1] |

[1] Appointed as Additional Director w.e.f. March 21, 2018

None of the Directors are inter-se related to any other Director on the Board or are related to any Key Managerial Personnel of the Company.

Further, none of the Directors hold any share in the Company.

**Selection of Independent Directors**

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

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

**Meetings of Independent Directors**

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

**Performance Evaluation Criteria of Directors**

Performance of Directors is evaluated based on the criteria of evaluation of Directors (including Independent Directors) devised by the Nomination and Remuneration Committee of the Board. As per the criteria, the directors are evaluated based on their attendance, contributions made by them in the meetings, subject knowledge, awareness of the business and regulatory environment in which the Company operates etc.

**Familiarization Programmes for Board Members**

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

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

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and may be accessed at: http://www.network18online.com/reports/policies/Familiarization%20Program%20for%20Independent%20Directors1.pdf

**Code of Conduct**

The Company has in place a Code of Conduct (the "Code") for its Directors and Employees. The Code lays down standards of business conduct, ethics and governance. The Code is also applicable to Non-Executive Directors (including Independent Directors) to such extent as may be applicable to them depending on their roles and responsibilities. The Code reflects the values of the Company viz. Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence.

A copy of the Code has been posted on the Company's website www.network18online.com. The Directors and Senior Management affirm compliance with the Code annually. A declaration to this effect, signed by the Manager of the Company is given below:

"It is hereby certified that all the members of the Board and Senior Management Personnel have confirmed to and complied with the applicable Code during the financial year 2017-18 and there has been no instance of violation of the Code."

Sd/-
Manager
April 24, 2018, Mumbai

## 3. Board and Committee Meetings and its Procedures

**(a) Institutionalised decision-making process**

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

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

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

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

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

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

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

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

- Annual operating plans of businesses and budgets including capital budgets and any updates
- Company's Annual Financial Results, Financial Statements, Auditors' Report and Board's Report
- Quarterly results of the Company and its business segments
- Minutes of meetings of the Committees of the Board of Directors
- Show cause, demand, prosecution notices and penalty notices, which are of material nature
- Fatal or serious accidents, dangerous occurrences, and any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold/services provided by the Company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company

- Recruitment and remuneration of senior officers just below the Board of Directors
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like implementation of Voluntary Retirement Scheme, etc
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business
- Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others
- Appointment, remuneration and resignation of Directors
- Formation/re-constitution of Board Committees
- Terms of reference of Board Committees
- Minutes of Board meetings of unlisted subsidiary companies
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of the Key Managerial Personnel
- Appointment of Statutory Auditors, Internal Auditors, Secretarial Auditors and Cost Auditors
- Secretarial Audit and Cost Audit reports
- Issue of Securities including Debentures
- Making of loans and Investments, borrowing of monies, giving guarantees or providing securities in respect of loans
- Compliance Certificate certifying compliance with all laws as applicable to the Company
- Significant changes in accounting policies and internal controls
- Takeover of a company or acquisition of a controlling or substantial stake in another company
- Approve amalgamation, merger or reconstruction

The agenda and notes on agenda are circulated to Directors in advance, in the defined agenda format. All material information is incorporated in the notes to the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

**(c) Recording minutes of proceedings of Board and Board Committee meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to the Board/Board Committee members within 15 days from the date of Board/ Board Committee meeting for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

**(d) Post meeting follow-up mechanism**

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees. Important decisions taken at the Board/Board Committee meetings are communicated promptly to the concerned departments / divisions. Minutes of the previous meeting(s) are placed at the succeeding meeting of the Board / Board Committee for noting. Further, minutes of all Board Committee meetings are also placed at the succeeding meeting of the Board.

**(e) Compliance**

The Company Secretary, while preparing the agenda, notes on agenda, minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations including Companies Act, 2013 read with rules issued thereunder, Listing Regulations and the Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.

## 4. Details of Board Meetings Held

Five Board meetings were held during the year ended March 31, 2018, as against the minimum requirement of four meetings. The details of Board meetings are given below and the maximum time gap between any two meetings was less than 120 days:

| Date of the Meeting | Board Strength | No. of Directors Present |
|---|---|---|
| April 19, 2017 | 8 | 6 |
| July 18, 2017 | 8 | 7 |
| October 11, 2017 | 7 | 5 |
| January 16, 2018 | 7 | 6 |
| March 21, 2018 | 7 | 7 |

## 5. Attendance of Directors at the Board Meetings, last Annual General Meeting (AGM) and number of other Directorship(s) and Chairmanship(s)/Memberships(s) of the Committees of each Director in various Companies:

| Name of the Director | Attendance at meetings during 2017-18 | | No. of Other Directorship (s) as on 31-03-2018[4] | No. of Membership(s) / Chairmanship(s) of Board Committees as on 31-03-2018[5] |
|---|---|---|---|---|
| | Board Meetings | AGM | | |
| Mr. Adil Zainulbhai | 5 | Yes | 7 | 7 (including 5 as Chairman) |
| Mr. Deepak Shantilal Parekh | 3 | No | 9 | 6 (including 2 as Chairman) |
| Ms. Nirupama Rao | 4 | No | 5 | 2 |
| Mr. Dhruv Subodh Kaji | 5 | No | 7 | 7 (including 1 as Chairman) |
| Mr. Rajiv Krishan Luthra | 4 | No | 6 | 4 (including 1 as Chairman) |
| Mr. P.M.S. Prasad | 5 | No | 4 | 4 |
| Ms. Jyoti Deshpande[1] | 1 | N.A | 2 | - |
| Mr. Prasoon Joshi[2] | 2 | N.A | - | - |
| Mr. K.R Raja[3] | 2 | No | - | - |

[1] Appointed as Additional Director w.e.f. March 21, 2018. One Board Meeting was held during her tenure

[2] Ceased to be Director on September 13, 2017. Two Board Meetings were held during his tenure

[3] Ceased to be Director on March 21, 2018. Four Board Meetings were held during his tenure

[4] Directorships, held by Directors as mentioned above, do not include Directorships in foreign companies and Section 8 companies

[5] In accordance with the Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only the Audit Committees and Stakeholders' Relationship Committees in all public limited companies (including that of the Company) have been considered

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

The number of Directorship, Committee membership, chairmanship of all Directors is within the respective limits prescribed under Companies Act, 2013 and the Listing Regulations.

## 6. Board Committees

**Details of the Board Committees and other related information are provided hereunder:**

| Audit Committee | |
|---|---|
| 1 | Mr. Adil Zainulbhai (Independent Director, Chairman of the Committee) |
| 2 | Ms. Nirupama Rao (Independent Director) |
| 3 | Mr. Dhruv Subodh Kaji (Independent Director) |
| 4 | Mr. P.M.S. Prasad (Non-Executive Non-Independent Director) |

| Nomination and Remuneration Committee | |
|---|---|
| 1 | Mr. Dhruv Subodh Kaji (Independent Director, Chairman of the Committee) |
| 2 | Mr. Adil Zainulbhai (Independent Director) |
| 3 | Mr. Deepak Shantilal Parekh (Independent Director) |
| 4 | Mr. P.M.S. Prasad (Non-Executive Non-Independent Director) |

| Corporate Social Responsibility Committee | |
|---|---|
| 1 | Mr. Adil Zainulbhai (Independent Director, Chairman of the Committee) |
| 2 | Mr. Rajiv Krishan Luthra (Independent Director) |
| 3 | Mr. P.M.S. Prasad (Non-Executive Non-Independent Director) |

| Stakeholders Relationship Committee | |
|---|---|
| 1 | Mr. Adil Zainulbhai (Independent Director, Chairman of the Committee) |
| 2 | Mr. Dhruv Subodh Kaji (Independent Director) |
| 3 | Mr. P.M.S. Prasad (Non-Executive Non-Independent |

Mr. Ratnesh Rukhariyar, Group Company Secretary and Compliance Officer is the Secretary to all the Committees.

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

| Particulars | Audit Committee | | Nomination and Remuneration Committee | | Stakeholders Relationship Committee | | Corporate Social Responsibility Committee | |
|---|---|---|---|---|---|---|---|---|
| | Number of Meetings held during tenure | Number of Meetings attended | Number of Meetings held during tenure | Number of Meetings attended | Number of Meetings held during tenure | Number of Meetings attended | Number of Meetings held during tenure | Number of Meetings attended |
| Mr. Adil Zainulbhai | 4 | 4 | 2 | 2 | 1 | 1 | 1 | 1 |
| Mr. Deepak Shantilal Parekh | 4 | 2 | 2 | 2 | N.M. | - | N.M. | - |
| Mr. Dhruv Subodh Kaji | 4 | 4 | 2 | 2 | N.A. | - | N.M. | - |
| Mr. Rajiv Krishan Luthra | N.M. | - | N.M. | - | N.M. | - | 1 | 1 |
| Ms. Nirupama Rao | N.M. | - | N.M. | - | N.M. | - | N.M. | - |
| Mr. P.M.S. Prasad | N.A | - | N.A. | - | 1 | 1 | 1 | 1 |
| Ms. Jyoti Deshpande | N.M. | - | N.M. | - | N.M. | - | N.M. | - |
| Mr. Prasoon Joshi | N.M. | - | N.M. | - | N.M. | - | N.M. | - |
| Mr. K. R. Raja | 4 | 1 | 1 | - | 1 | 1 | 1 | - |

N.M. - Not a Member of the Committee

N.A – Not Applicable as not a Member of the Committee as on the date of meeting

During the year, one meeting of Committee constituted by the Board of Directors for the Purpose of Merger Scheme was held

## Procedure at Committee Meetings

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

**Terms of Reference and other details of Committees**

### (a) Audit Committee

**Composition of the Committee:**

| | |
|---|---|
| Mr. Adil Zainulbhai (Chairman) | Independent Director |
| Ms. Nirupama Rao | Independent Director |
| Mr. Dhruv Subodh Kaji | Independent Director |
| Mr. P.M.S. Prasad | Non-Executive Non-Independent Director |

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

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

- To examine and oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible
- To recommend to the Board, the appointment, remuneration and terms of appointment of the Auditors of the Company
- To review and monitor the Auditor's independence and performance and effectiveness of the audit process
- To approve payment to statutory auditors for any other services rendered by the statutory auditors
- To review with the management, the annual Financial Statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub Section (3) of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgement by the management
  - Significant adjustments made in the Financial Statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to Financial Statements
  - Disclosure of related party transaction
  - Qualification/modified opinion in the draft audit reports
- To examine the quarterly Financial Statements/results and auditors' reports thereon and review the same with the management before submission to the Board for approval
- To monitor end use of funds raised through public offer and related matters and review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- To approve transactions of the Company with related parties or any subsequent modification of the same
- To scrutinize inter-corporate loans and investments
- To approve the valuation of undertakings or assets of the Company, whenever it is necessary.
- To evaluate internal financial controls and risk management systems
- To review with the management, performance and independence of auditors effectiveness of audit process and adequacy of the internal control systems
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit
- To discuss with Internal Auditors any significant findings and follow up thereon

- To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
- To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower Mechanism
- To approve the appointment of Chief Financial Officer (i.e the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc of the candidate
- To review the following information:
  - Management's Discussion and Analysis of financial condition and results of operations
  - Statement of significant related party transactions (as per the company's policy) submitted by management
  - Management letters/ letters of internal control weaknesses issued by the Statutory Auditors
  - Internal Audit Reports relating to internal control weaknesses
  - The appointment, removal and terms of remuneration of the Chief Internal Auditor/ Internal Auditor(s)
  - Statement of deviation(s), quarterly/annually, of the funds utilized for purpose other than those stated in the offer document/prospectus/ notice in terms of Regulation 32 of the Listing Regulations
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable

### General

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

The Internal Auditors reports directly to the Audit Committee.

During the year, four meetings of the Audit Committee were held on April 17, 2017, July 18, 2017, October 11, 2017 and January 16, 2018 and the maximum time gap between any two meetings was less than 120 days.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 25, 2017.

## (b) Nomination and Remuneration Committee

**Composition of the Committee:**

| | |
|---|---|
| Mr. Dhruv Subodh Kaji (Chairman) | Independent Director |
| Mr. Adil Zainulbhai | Independent Director |
| Mr. Deepak Shantilal Parekh | Independent Director |
| Mr. P.M.S. Prasad | Non-Executive Non-Independent Director |

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

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

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees
- To formulate the criteria for evaluation of performance of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s), Manager and Whole-time Director(s) based on their performance and defined assessment criteria
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme of the Company, if any
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable
- To perform such other functions as may be necessary or appropriate for the performance of its duties

During the year, two meetings of the Nomination and Remuneration Committee were held on July 18, 2017 and March 21, 2018.

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

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

**Details of the remuneration / sitting fees paid to the Directors**

**Remuneration of Non-Executive Directors:**

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

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

(Amount in ₹)

| Name of the Director | Sitting Fee^ |
|---|---|
| Mr. Adil Zainulbhai (Chairman) | 14,00,000 |
| Mr. Deepak Shantilal Parekh | 8,00,000 |
| Mr. Rajiv Krishan Luthra# | 6,00,000 |
| Mr. Dhruv Subodh Kaji | 12,00,000 |
| Ms. Nirupama Rao | 5,00,000 |
| Mr. Prasoon Joshi[1] | 3,00,000 |
| Ms. Jyoti Deshpande[2] | 1,00,000 |
| Mr. K.R Raja[3] | 4,00,000 |
| Mr. P.M.S. Prasad | 7,00,000 |

[1]Ceased to be Directors w.e.f. September 13, 2017

[2] Appointed as Additional Directors w.e.f. March 21, 2018

[3]Ceased to be Directors w.e.f. March 21, 2018

#During the year ended March 31, 2018, the Company has paid ₹ 3.27 Lacs as professional fees to M/s. Luthra & Luthra Law Offices., a firm in which Mr. Rajiv Krishan Luthra, Director of the Company, is the managing partner

^ Exclusive of applicable taxes, if any

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

## (c) Stakeholders' Relationship Committee

**Composition of the Committee:**

| | |
|---|---|
| Mr. Adil Zainulbhai (Chairman) | Independent Director |
| Mr. Dhruv Subodh Kaji | Independent Director |
| Mr. P.M.S. Prasad | Non-Executive Non-Independent Director |

The Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of Shareholders' / Investors' Complaints.

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

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

- To approve the transfer/ transmission/ transposition of any security of the Company and to issue Certificates thereof
- To approve requests for dematerialization/ rematerialization of securities and issue Certificates thereof
- To issue duplicate Share Certificates including in place of those which are lost, damaged or in which the pages are completely exhausted (provided such original certificates are surrendered to the Company)
- To affix or authorize affixation of the Common Seal of the Company to the Security Certificates (equity, preference or any other security) issued by the Company, wherever necessary or required

- To redress Security holders' concerns/complaints/ grievances
- To attend to other areas of Stakeholders' services
- To oversee performance of the Registrar and Transfer Agent of the Company and recommend measure for overall improvement in the quality of investor service
- To perform such other functions as may be required under the Companies Act, 2013, and Rules made thereunder, SEBI Regulations/Guidelines and the Listing Regulations, as amended from time to time, and/or delegated by the Board from time to time

During the year, one meeting of Stakeholders' Relationship Committee was held on January 16, 2018.

**Investors Grievance Redressal**

The Company received 1 complaint during the year ended March 31, 2018 and the same was promptly resolved. The Complaint was pertaining to non-receipt of Annual Report. As on March 31, 2018 there was no outstanding complaints.

**Compliance Officer:** Mr. Ratnesh Rukhariyar, Group Company Secretary has been appointed as the Compliance Officer for complying with requirements of Securities Laws, Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015.

## (d) Corporate Social Responsibility Committee

**Composition of the Committee:**

| | |
|---|---|
| Mr. Adil Zainulbhai (Chairman) | Independent Director |
| Mr. Rajiv Krishan Luthra | Independent Director |
| Mr. P.M.S. Prasad | Non-Executive Non-Independent Director |

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility (CSR) Policy' of the Company.

The Committee's composition and terms of reference meet with the requirements of Section 135 of the Companies Act, 2013.

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

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013
- To review and recommend the amount of expenditure to be incurred on the CSR related activities to be undertaken by the Company
- To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken by the Company from time to time
- To oversee the implementation of Policies contained in the Business Responsibility Policy Manual and to make any amendments / modifications, as may be required, from time to time and review and recommend Business Responsibility Reports to the Board of Directors for its approval
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

During the year, one meeting of the Committee was held on July 18, 2017.

## 7. Subsidiary Companies' Monitoring Framework

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

The Policy has been posted on the Company's website and may be accessed at http://www.network18online.com/reports/policies/Policy%20for%20determining%20Material%20Subsidiaries1.pdf

Further, Ms. Nirupama Rao, Independent Director of the Company has been appointed as Independent Director on the Board of its material subsidiary namely Viacom18 Media Private Limited.

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

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

## 8. General Body Meetings

**(i) Annual General Meetings**

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

| Year | Date | Venue | Time | Special Resolution Passed |
|---|---|---|---|---|
| 2015 | September 24, 2015 | Tivoli Garden Resort, Khasra No. 646-653, Chattarpur Road, Near Chattarpur Mandir, New Delhi- 110 074 | 11.00 a.m. | No |
| 2016 | September 29, 2016 | Yashwant Natya Mandir, Manmala Tank Road, Matunga West, Near Ruparel College, Mumbai-400016 | 11.30 a.m. | Yes (one) [1] |
| 2017 | September 25, 2017 | Y.B.Chavan Centre- Auditorium, Yashvantrao Chavan Pratishthan Gen, Jagannathrao Bhosale Marg, Oppsite to Mantralaya, Next to Sachivalaya Gymkhana, Nariman Point, Mumbai- 400 021 | 11.30 a.m. | Yes (one) [1] |

[1] One special resolution approving the offer or invitation to subscribe to Redeemable Non-Convertible Debentures on private placement was passed

**(ii) Special Resolutions passed through Postal Ballot**

During the year, there was no special resolution passed through Postal Ballot.

**(iii) Proposal for Postal Ballot**

There is no immediate proposal for passing any resolution through Postal Ballot.

## 9. Disclosures

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

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

None of the transactions with the related parties was in conflict with the interest of the Company. The Company has made full disclosures of transactions with the related parties set out in Note No. 32 of Standalone Financial Statement, forming part of the Annual Report.

The Related Party Transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources.

All Related Party Transactions are in the ordinary course of business and are negotiated on arm's length basis, and are intended to further the Company's interests.

The Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions can be accessed at http://www.network18online.com/reports/policies/Policy%20of%20Materiality%20of%20Related%20Party%20Transactions%20and%20on%20Dealing%20with%20Related%20Party%20Transactions%20new.pdf

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

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

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

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

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

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

**IV. Whistle Blower Policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which employees are free to report fraudulent practices, corruption and breaches of Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report any reportable matter directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

**V. Commodity Price Risks and Commodity Hedging Activities**

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

**VI. CEO/CFO certification**

The Manager and the Chief Financial Officer of the Company give annual/quarterly certification on financial reporting and internal controls to the Board, confirming *inter-alia* that the Financial Statements (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; (ii) together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations; (iii) there are no transactions entered into by the Company during the year/period which are fraudulent, illegal or violative of the Company's Code of Conduct; (iv) proper internal controls for financial reporting have been established, maintained and are operating effectively and that they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies; (v) they have indicated to the auditors and the Audit Committee (a) significant changes in internal controls over financial reporting during the year (b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements and (c) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**VII. Transfer of amounts to Investor Education and Protection Fund**

The amount of fixed deposits, Interest on fixed deposits and amounts for debenture redemption etc, which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company, within the stipulated time, to the Investor Education and Protection Fund (IEPF). Further, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on its website, and also on the website of the Ministry of Corporate Affairs (MCA).

Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "IEPF Rules"), the Company has transferred to IEPF Authority 68,527 equity shares in respect of which dividend (which was declared by the Company in the year 2008 or earlier financial years) was lying unpaid or unclaimed by shareholders for more than seven consecutive years or more.

The voting rights on the aforesaid shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

**VIII. Disclosures with respect to demat suspense account/ unclaimed suspense account:**

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in demat suspense account / unclaimed suspense account:

| Particulars | Demat | | Physical | |
|---|---|---|---|---|
| | Number of Shareholders | Number of Equity Shares | Number of Shareholders | Number of Equity Shares |
| Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. April 1, 2017 | - | - | 600 | 14845 |
| Number of shareholders who approached the Company/ Registrar and Transfer Agent of the Company for transfer of shares from Unclaimed Suspense Account during the year ended March 31, 2018 | - | - | - | - |
| Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended March 31, 2018 | - | - | - | - |
| Number of shareholders and the number of shares transferred to Unclaimed Suspense Account during the year ended March 31, 2018 | - | - | - | - |
| Aggregate Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. March 31, 2018 | - | - | 600 | 14845 |

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares

**IX. Code of Conduct for Prohibition of Insider Trading**

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

## 10. Means of Communication

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

The Quarterly and Annual Results of the Company are normally published in the Financial Express (English Newspaper) and Navshakti (Marathi Newspaper) and are sent to the Stock Exchanges.

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

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

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

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

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

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

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

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

- For queries on Annual Report: investors.n18@nw18.com
- For queries in respect of shares in physical mode: nwminvestor@karvy.com

## 11. General Shareholder Information

**Forthcoming Annual General Meeting**

| | |
|---|---|
| Time | 11:30 a.m. (IST) or soon after conclusion of Annual General Meeting of TV18 Broadcast Limited convened on the some day which ever is later |
| Venue | Y.B. Chavan Centre- Auditorium, Yashwantrao Chavan Pratishthan, Gen. Jagannathrao Bhosale Marg, Opposite to Mantralaya, Next to Sachivalaya Gymkhana, Nariman Point- Mumbai- 400 021 |
| Day and date | Friday, August 17, 2018 |

**Financial Year**

April 1 to March 31

**Financial Calendar: [tentative]**

Tentative Calendar for declaration of results for the Financial Year 2018-19 is given below:

| Results for the quarter ending | Date of Meeting/ on or before |
|---|---|
| June 30, 2018 | Fourth week of July 2018 |
| September 30, 2018 | Third week of October 2018 |
| December 31, 2018 | Third week of January 2019 |
| March 31, 2019 | Third week of April 2019 |
| Annual General Meeting | August /September 2019 |

**Dates of Book Closure:** The share transfer books and register of members of the Company shall remain closed from Tuesday, August 14, 2018 to Friday, August 17, 2018 (both days inclusive), for the purpose of Annual General Meeting.

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

**Outstanding GDRs/ADRs/Warrants and Convertible Bonds or any other Convertible Instrument, Conversion date and likely impact on equity**

1. The Company has not issued any ADR/GDR/Warrant and Convertible Instrument during the year under review.
2. There is no outstanding GDR/ADR/Warrant and Convertible Instrument.

**Dematerialization of shares**

The Company's shares are admitted into both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2018, 10,46,81,3533 equity shares were held in demat form, constituting 99.99% of the total shareholding of the Company.

**Listing on Stock Exchanges and Stock Code**

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

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

The Company has paid annual listing fees to the Stock exchanges for 2017-18 within stipulated time.

**Market Price Data:**

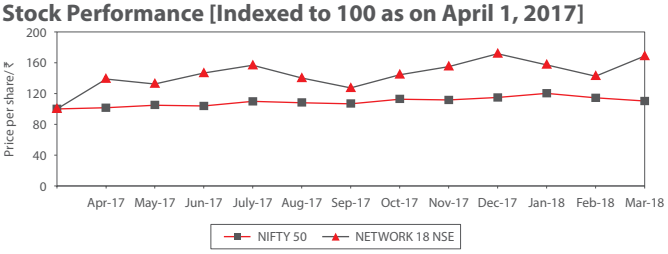
High Low Rates of Equity Shares during each month in the last financial year are as follows:

(₹. Per Share)

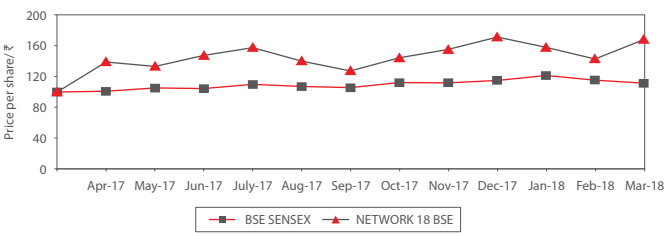
| Month | BSE | | NSE | |
|---|---|---|---|---|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| April/17 | 49.95 | 35.75 | 50.00 | 35.80 |
| May/17 | 54.80 | 44.70 | 54.80 | 44.55 |
| June/17 | 55.30 | 46.10 | 55.25 | 46.15 |
| July/17 | 59.25 | 50.35 | 59.30 | 50.30 |
| August/17 | 56.40 | 45.00 | 56.35 | 48.25 |
| September/17 | 53.40 | 43.65 | 53.70 | 43.80 |
| October/17 | 53.40 | 44.55 | 53.30 | 44.40 |
| November/17 | 57.50 | 47.25 | 57.50 | 47.25 |
| December/17 | 63.00 | 49.75 | 63.20 | 49.75 |
| January/18 | 64.00 | 51.45 | 64.10 | 51.40 |
| February/18 | 56.50 | 46.50 | 56.45 | 47.75 |
| March/18 | 62.40 | 47.70 | 62.60 | 47.55 |

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

**Comparison of the stock performances with NSE Nifty 50 Stock Performance [Indexed to 100 as on April 1, 2017]**




**Comparison of the stock performances with BSE SENSEX [Indexed to 100 as on April 1, 2017]**




**The details of Company's Registrar & Share Transfer Agent is as given below:**

**Registrar & Share Transfer Agent**

Karvy Computershare Private Limited
Karvy Selenium Tower B, 6th Flooe, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
Ph: +91 40 - 6716 1700, Fax: +91 40 - 67161680
email: nwminvestor@karvy.com
Website: www.karvycomputershare.com
Toll Free : 1800 425 8998

**Share Transfer System**

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

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

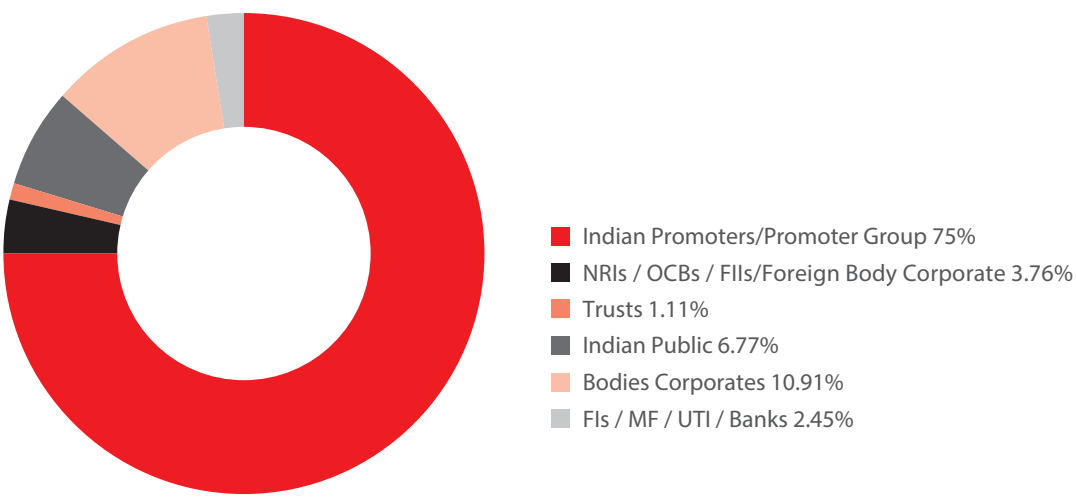
The shares of the Company are freely tradable on BSE and NSE. As on March 31, 2018, there were 1,34,986 equity shares in physical form constituting 0.01% of the total shareholding of the Company.

**Distribution of shareholding as on March 31, 2018**

| S. No. | Category | No. of Equity shareholders | No. of Equity shares | Percentage |
|---|---|---|---|---|
| 1. | Indian Public | 64,090 | 7,08,26,037 | 6.77 |
| 2. | Bodies Corporate | 865 | 11,42,62,623 | 10.91 |
| 3. | FIs/Mutual Fund/UTI/banks | 17 | 2,56,74,131 | 2.45 |
| 4. | Promoters and Promoters Group | 11* | 78,52,11,389 | 75.00 |
| 5. | NRI/OCBs/FIIs/Foreign Body Corporate | 539 | 3,93,79,878 | 3.76 |
| 6. | Trusts | 9 | 1,15,94,461 | 1.11 |
| | **Total** | **65,531** | **1,04,69,48,519** | **100** |

*As per disclosure under Regulation 30(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, furnished by the Promoters

**Graphic presentation of the Shareholding Pattern as on March 31, 2018**




**Distribution Schedule as on March 31, 2018**

| S. No. | Category | No. of Holders | % of Total Holders | No. of Shares | % of Total Shares |
|---|---|---|---|---|---|
| 1 | upto 5000 | 59 413 | 90.66 | 90 41 577 | 0.86 |
| 2 | 5001 – 10000 | 2 382 | 3.63 | 37 69 126 | 0.36 |
| 3 | 10001 – 20000 | 1 427 | 2.18 | 42 36 477 | 0.40 |
| 4 | 20001 – 30000 | 732 | 1.12 | 36 88 456 | 0.35 |
| 5 | 30001 – 40000 | 267 | 0.41 | 19 06 299 | 0.18 |
| 6 | 40001 – 50000 | 315 | 0.48 | 30 12 555 | 0.29 |
| 7 | 50001 – 100000 | 421 | 0.64 | 60 12 156 | 0.57 |
| 8 | 100001 & Above | 574 | 0.88 | 101 52 81 873 | 96.99 |
| **Total** | | **65 531** | **100** | **104 69 48 519** | **100** |

**Compliance Certificate**

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

**Details of Directors being Appointed/Re-appointed at this Annual General Meeting**

a) **Mr. Adil Zainulbhai** (DIN: 06646490), aged about 64 years, and one of the world's foremost consultants, is a mechanical engineering graduate from IIT and holds an MBA from Harvard. During his 34-year stint at McKinsey, he led its Washington office and founded the Minneapolis office before retiring as the Chairman of McKinsey, India.

Over the last 10 years, he worked directly with the CEOs and promoters of some of the major companies in India and globally. In his role as a chairman, Quality Council of India, he has worked on several projects for the Government around many of the flagship schemes of the Government.

He is a member on the boards of American India Foundation, Saifee Hospital, Saifee Burhani Upliftment Trust and Piramal Swasthya. He is also on the global advisory board of the Booth School of Business, University of Chicago.

Mr. Adil Zainulbhai joined the Board of the Company as an Independent Director on July 7, 2014. He is the Chairman of Board of Directors of the Company and also the Chairman of its Audit Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee and Member of Nomination and Remuneration Committee of the Company. He does not hold any share of the Company in his name.

He is also the Chairman of the Board of TV18 Broadcast Limited (Listed). He is an Independent Director on the Board of Reliance Industries Limited (Listed), Reliance Jio Infocomm Limited (Debt Listed), Larsen & Toubro Limited (Listed), Cipla Limited (Listed), Reliance Retail Ventures Limited and TV18 Home Shopping Network Limited. He is on the Board of Piramal Foundation, a Section 8 Company, and is also a Board Member of Anant National University.

He is the Chairman of Audit Committee and Corporate Social Responsibility Committee and Member of Nomination and Remuneration Committee of TV18 Broadcast Limited. He is the Chairman of Human Resources Nomination & Remuneration Committee and Risk Management Committee and Member of the Audit Committee of Reliance Industries Limited. He is the Chairman of Audit Committee and Corporate Social Responsibility Committee and Member of Nomination & Remuneration Committee of Reliance Jio Infocomm Limited and Reliance Retail Ventures Limited. He is the Chairman of Nomination & Remuneration Committee and Member of Corporate Social Responsibility Committee of Cipla Limited. He is the Member of Audit Committee, Nomination & Remuneration Committee and Sub Committee of Directors of TV18 Home Shopping Network Limited. He is also the Member of Nomination & Remuneration Committee of Larsen & Toubro Limited.

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

b) **Mr. Deepak Shantilal Parekh** (DIN:00009078), 73 years, is the Chairman of Housing Development Finance Corporation Limited (HDFC). In 1970, Mr. Parekh began his career with Ernst & Ernst Management Consultancy Services in New York. Thereafter, he worked with Grindlays Bank and Chase Manhattan Bank for about three years each prior to joining HDFC in 1978. His astute business acumen and far-sightedness has not only made HDFC the leader in Mortgages but created a robust mortgage industry in India. His vision has transformed HDFC into a financial conglomerate with presence in Banking, Asset Management, Life Insurance, General Insurance, Real Estate Venture Fund and Education finance.

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

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

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

Mr. Parekh is a recipient of the Padma Bhushan for his contributions to the national economy and public

policy. Indian Industry, Government, International organisations and Media have also honoured him with several awards including 'Bundesverdienstkreuz' Germany's Cross of the Order of Merit, one of the highest distinction by the Federal Republic of Germany in 2014, "Knight in the Order of the Legion of Honour", one of the highest distinction by the French Republic in 2010, First international recipient of the Outstanding Achievement Award by Institute of Chartered Accountants in England and Wales, in 2010.

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

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

Besides HDFC Group Companies, namely Housing Development Finance Corporation Limited (Listed), HDFC Asset Management Company Limited (Mutual Funds Listed), HDFC Standard Life Insurance Company Limited (Listed), HDFC Ergo General Insurance Company Limited (Debt Listed), Mr. Parekh is also on the Boards of several leading corporations across diverse sectors. He is the Non-Executive Chairman of Glaxo SmithKline Pharmaceuticals Limited (Listed), Siemens Limited (Listed) and BAE Systems India (Services) Private Limited. He is also on the Boards of The Indian Hotels Company Limited (Listed), Bangalore International Airport Limited and on the international boards of DP World Limited, Vedanta Resources PLC, London, Fairfax India Holdings Corporation, Canada and Economic Zones World FZE. Mr. Parekh is also Chairman of HT Parekh Foundation and Director of Breach Candy Hospital Trust and Indian Institute for Human Settlements. In addition, he is also on the Advisory Boards of several Indian corporates and MNC's.

Mr. Parekh is also the Chairman of Audit Committee of The Indian Hotels Company Limited and HT Parekh Foundation and member of the Audit Committee of Glaxo SmithKline Pharmaceuticals Limited and Siemens Limited. He is the Chairman of Corporate Social Responsibility Committee and member of the Nomination & Remuneration Committee, Risk Management Committee and Corporate Governance Committee of Siemens Limited. He is also the member of Nomination and Remuneration Committee and the Chairman of Finance Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee and Share Transfer Committee of GlaxoSmithKline Pharmaceuticals Limited. He is a Chairman of Corporate Social Responsibility Committee of Housing Development Finance Corporation Limited. He is also a member of Stakeholders Relationship Committee of HDFC Asset Management Company Limited.

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

c) **Mr. P.M.S. Prasad** (DIN: 00012144), 66 years, is an Executive Director at Reliance Industries Limited (RIL). He has contributed to the growth of RIL over the past three decades and has held various posts in the petrochemicals, refining and marketing, exploration and production and fibre businesses of RIL.

He holds a Bachelor's degree in Science and Engineering. His exemplary leadership in steering the diversification of RIL – from a refining and petrochemicals company to an exploration and product business company earned him the Energy Executive of the Year Award in 2008 from Petroleum Economist. For his contribution to the petroleum sector, he has been awarded an honorary doctorate degree by the University of Petroleum Engineering, Dehradun.

Mr. Prasad joined the Board of the Company as Non-Executive Director on January 14, 2017. He is a member of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company. He does not hold any shares of the Company in his name.

He is a Whole-Time Director of Reliance Industries Limited (Listed) where he is also a member of Health, Safety & Environment Committee and Risk Management Committee.

He is a Director on the Board of Reliance Commercial Dealers Limited and is the Chairman of its Nomination & Remuneration Committee. He is a Director on the Board of TV18 Broadcast Limited (Listed) and is a member of

its Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee. He is also a Director on the Board of Viacom18 Media Private Limited where he is a member of its Corporate Social Responsibility Committee.

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

d) **Ms. Jyoti Deshpande** (DIN: 02303283), 47 years, has over 25 years of experience in media and entertainment across advertising, media consulting, television and film. From April 2018, Ms Deshpande joined Reliance Industries Limited as President of the Chairman's Office to set up and head the Media and Entertainment business. In her new role at RIL, Ms. Deshpande leads the company's initiatives in Media and Entertainment to organically build and grow businesses around the content ecosystem such as Broadcasting, Films, Sports, Music, Digital, Gaming, Animation etc., as well as integrate RIL's existing media investments such as Viacom18, Balaji Telefilms, Eros and Saavn with a view to build, scale and consolidate the fragmented $20 billion Indian M&E sector.

Prior to Reliance, Ms. Deshpande was part of the leadership team of Eros International since 2001 and as Group CEO & MD she spearheaded Eros's growth as a global leader in Indian filmed entertainment. Before 2001, Ms. Deshpande worked for 7 years in the field of advertising, media consulting and television with companies such as J Walter Thompson India, Mindshare, Zee Television and B4U Television. Ms. Deshpande has a Bachelor's Degree in Commerce and Economics from Mumbai University and a Master's Degree in Business Administration (MBA) from SPJIMR, Mumbai University.

Ms. Deshpande was featured in the prestigious Fortune India magazine's 50 Most Powerful Women in Business (2017/2015) which celebrates the journeys and triumphs of women who not only impact their organizations but are also thought leaders in their industry. Ms. Deshpande was also featured in the list of Top 50 Most Powerful Women in Business by Business Today (2015). She was also recently awarded as one of the Women of the Decade for Innovation and Leadership by Women Economic Forum.

Ms. Deshpande joined the Board of the Company as Non-Executive Director on March 21, 2018 and she does not hold any shares of the Company in her name.

She is also on the Board of Eros International Media Limited (Listed), Eros International PLC (Listed on NYSE), Balaji Telefilms Limited (Listed) and Saavn Media Private Limited. She is a member of CSR Committee of Eros International Media Limited (Listed).

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

**Details of Remuneration to Non- Executive Directors:**

The aforesaid Non-Executive Directors will be paid remuneration in accordance with Company's policy on 'Criteria for making payments to Non- Executive Directors' which can be accessed at website of the Company at web link http://www.network18online.com/reports/Notices%20and%20Events/Other%20Notices/Criteria%20for%20payment%20to%20Non-%20Executive%20Directors.pdf

| **Registered Office Address** | **Address for Correspondence** | **Compliance Officer:** | **Registrar & Share Transfer Agent** |
|---|---|---|---|
| **Network18 Media & Investments Limited**<br>Empire Complex, 1st Floor,<br>414 Senapati Bapat Marg,<br>Lower Parel,<br>Mumbai – 400 013<br>Tel: +91 22 40019000,<br>66667777<br>CIN:<br>L65910MH1996PLC280969 | **Network18 Media & Investments Limited**<br>Express Trade Tower,<br>Plot No.15-16<br>Sector-16-A, Noida,<br>U. P. - 201 301<br>Tel: +91 120 4341818<br>E-mail:<br>investors.n18@nw18.com | **Mr. Ratnesh Rukhariyar, Company Secretary**<br>**Network18 Media & Investments Limited**<br>Express Trade Tower,<br>Plot No.15-16, Sector 16-A,<br>Noida, U.P. - 201 301<br>Tel: +91 120 4341818<br>E-mail:<br>investors.n18@nw18.com | **Karvy Computershare Private Limited**<br>Karvy Selenium, Tower B,<br>Plot 31-32, 6th Floor, Gachibowli,<br>Financial District, Nanakramguda,<br>Hyderabad - 500 032<br>Ph: +91 40 - 6716 1700<br>Fax: +91 40 - 67161680<br>email: nwminvestor@karvy.com<br>website: www.karvycomputershare.com<br>Toll Free No. : 1800 425 8998 |

# CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members,
Network18 Media & Investments Limited
First Floor, Empire Complex, 414,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013

1. We have reviewed the implementation of the Corporate Governance procedures by Network18 Media & Investments Limited (the Company) during the year ended March 31st 2018, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.

2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has to conduct the affairs of the Company.

4. On the basis of our review and according to the best of our information and according to the explanation given to us, the company has been complying with conditions of Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **N.K.J & ASSOCIATES**
Company Secretaries

**NEELESH KR. JAIN**
Proprietor
Membership No. FCS 5593
Certificate of Practice No. 5233

Date: 24.04.2018
Place: New Delhi

# INDEPENDENT AUDITOR'S REPORT

**To The Members of Network18 Media & Investments Limited**

## Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Network18 Media & Investments Limited ("the Company"), which comprise the Balance Sheet as at March 31, 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's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 March 31, 2018, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

## Other Matters

The Standalone Financial Statements of the Company for the year ended March 31, 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 19, 2017.

Our opinion on the standalone Ind AS financial statements is not modified in respect of this matter.

## 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 March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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 33 to the standalone Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

      iii. There has been no delay in transferring amounts, 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, April 24, 2018

# ANNEXURE "A"

**TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NETWORK 18 MEDIA & INVESTMENTS LIMITED**

((Referred to in paragraph 1(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 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Network18 Media & Investments Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

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

## Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal 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 obtained is sufficient and appropriate to provide a 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 criteria for internal financial control over financial reporting 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, April 24, 2018

# ANNEXURE "B"

**TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NETWORK 18 MEDIA & INVESTMENTS 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 Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered reconveyance deeds / Memorandum of Understanding provided to us, we report that the title deeds comprising all the immovable properties of freehold land and buildings are held in the name of the Company as at the balance sheet date.

ii. As explained to us, the entire inventory of the Company is lying with the third parties and these have been confirmed by them as at the year end.

iii. According to the information and explanations given to us, the Company has granted 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, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and the principal amounts and interest are not due for repayment currently as per stipulations.

(c) There is no overdue amount remaining outstanding as at the balance sheet date.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company is in the process of compiling the details thereof and as informed, would take necessary steps to comply with the provisions of Companies (Acceptance of Deposits) Rules, 2014. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal with respect to the Company.

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, 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 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 applicable to it to 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 March 31, 2018 for a period of more than six months from the date they became payable.

c) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes are given below:

| Name of the Statute | Nature of Dues | Amount Involved (Rupees in lakh) | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | 51 | AY 2008-09 | Commissioner of Income Tax Appeals |
| Income Tax Act, 1961 | Income Tax | 47* | AY 2009-10 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 475 | AY 2010-11 | Deputy Commissioner of Income Tax Appeals |
| Income Tax Act, 1961 | Income Tax | 1 | AY 2013-14 | Commissioner of Income Tax Appeal |
| The Finance Act, 1994 | Service Tax | 81 | FY 2007-08 | Customs, Excise and Service Tax Appellate Tribunal, Mumbai |

* Net of ₹ 23 lakh paid under protest.

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 financial institutions and banks. There were no borrowings or loans from the Government and the Company has not issued any debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of paragraph 3 of the Order is not applicable.

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 not paid / provided any managerial remuneration during the year and hence reporting under clause (xi) of paragraph 3 of the Order is not applicable.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph of 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 standalone Ind AS 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 3 of 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 holding, subsidiary or associate company 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 information and explanations 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
Mumbai, April 24, 2018 (Membership No. 102912)

# BALANCE SHEET

as at 31st March, 2018

₹ in lakh

| | Notes | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 1 | 1,539 | 1,764 |
| Intangible assets | 1 | 350 | 1,044 |
| Financial assets | | | |
| Investments | 2 | 3,66,533 | 3,63,764 |
| Loans | 3 | 19,597 | 18,348 |
| Other financial assets | 4 | 1,255 | 1,042 |
| Other non-current assets | 5 | 3,978 | 3,735 |
| **Total Non-current Assets** | | **3,93,252** | **3,89,697** |
| **Current assets** | | | |
| Inventories | 6 | 35 | 57 |
| Financial assets | | | |
| Investments | 7 | 706 | 577 |
| Trade receivables | 8 | 4,581 | 4,008 |
| Cash and cash equivalents | 9 | 2 | 3 |
| Bank balances other than cash and cash equivalents | 10 | 226 | 259 |
| Loans | 11 | 1,133 | 4 |
| Other financial assets | 12 | 80 | 294 |
| Other current assets | 13 | 896 | 1,211 |
| **Total Current Assets** | | **7,659** | **6,413** |
| **Total Assets** | | **4,00,911** | **3,96,110** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 15 | 52,347 | 52,347 |
| Other Equity | 16 | 1,95,278 | 2,01,599 |
| **Total Equity** | | **2,47,625** | **2,53,946** |
| **Liabilities** | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 17 | - | 7 |
| Provisions | 18 | 362 | 275 |
| **Total Non-current Liabilities** | | **362** | **282** |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 19 | 1,26,473 | 1,14,844 |
| Trade payables | 20 | 2,709 | 3,606 |
| Other financial liabilities | 21 | 559 | 1,123 |
| Other current liabilities | 22 | 1,385 | 513 |
| Provisions | 23 | 21,798 | 21,796 |
| **Total Current Liabilities** | | **1,52,924** | **1,41,882** |
| **Total Liabilities** | | **1,53,286** | **1,42,164** |
| **Total Equity and Liabilities** | | **4,00,911** | **3,96,110** |

Significant Accounting Policies and accompanying notes (1 to 44) are part of the financial statements.

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

**Adil Zainulbhai**
Chairman
DIN: 06646490

**Dhruv Subodh Kaji**
Director
DIN:00192559

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

**Jyoti Deshpande**
Director
DIN: 02303283

**Nirupama Rao**
Director
DIN: 06954879

**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

# STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2018

₹ in lakh

| | Notes | 2017-18 | 2016-17 |
|---|---|---|---|
| **INCOME** | | | |
| Value of sales and services | | 8,026 | 6,686 |
| Goods and Services Tax included in above | | 990 | - |
| **Revenue from operations** | 24 | **7,036** | **6,686** |
| Other Income | 25 | 9,244 | 1,519 |
| **Total Income** | | **16,280** | **8,205** |
| **EXPENSES** | | | |
| Cost of materials consumed | 26 | 110 | 166 |
| Marketing, distribution and promotional expense | | 1,923 | 1,602 |
| Employee benefits expense | 27 | 6,534 | 5,572 |
| Finance costs | 28 | 7,755 | 7,037 |
| Depreciation and amortisation expense | 1 | 788 | 853 |
| Other expenses | 29 | 5,618 | 4,840 |
| **Total Expenses** | | **22,728** | **20,070** |
| **Loss before Tax** | | **(6,448)** | **(11,865)** |
| **Tax expense:** | | | |
| Current tax - short provision for tax relating to earlier years | 14 | - | 4 |
| **Loss for the year** | | **(6,448)** | **(11,869)** |
| **Other Comprehensive Income** | | | |
| Items that will not be reclassified to profit or loss | | 127 | 14 |
| **Total Other Comprehensive Income** | | **127** | **14** |
| **Total Comprehensive Income for the year** | | **(6,321)** | **(11,855)** |
| **Earnings per equity share of face value of ₹ 5 each** | | | |
| Basic and diluted (in ₹) | 31 | (0.62) | (1.13) |

Significant Accounting Policies and accompanying notes (1 to 44) are part of the financial statements.

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

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Company Secretary

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2018

## A. Equity Share Capital

₹ in lakh

| Balance at the beginning of 1st April, 2016 | Changes in equity share capital during the year 2016-17 | Balance as at 31st March, 2017 | Changes in equity share capital during the year 2017-18 | Balance as at 31st March, 2018 |
|---|---|---|---|---|
| 52,347 | - | 52,347 | - | 52,347 |

## B. Other Equity

₹ in lakh

| | Reserves and Surplus | | | | Other Comprehensive Income | Total |
|---|---|---|---|---|---|---|
| | Capital Reserve | Securities premium | General reserve | Retained Earnings* | Equity instruments through Other Comprehensive Income | |
| **Balance at the beginning of 1st April, 2016** | 69 | 3,33,863 | 1,135 | (1,22,215) | 602 | 2,13,454 |
| Total Comprehensive Income for the year | - | - | - | (11,830) | (25) | (11,855) |
| **Balance as at the end of 31st March, 2017** | **69** | **3,33,863** | **1,135** | **(1,34,045)** | **577** | **2,01,599** |
| **Balance at the beginning of 1st April, 2017** | 69 | 3,33,863 | 1,135 | (1,34,045) | 577 | 2,01,599 |
| Total Comprehensive Income for the year | - | - | - | (6,450) | 129 | (6,321) |
| **Balance as at the end of 31st March, 2018** | **69** | **3,33,863** | **1,135** | **(1,40,495)** | **706** | **1,95,278** |

*Includes remeasurement of the defined benefit plan for the year amounting to ₹ 2 lakh (Previous Year ₹ 39 lakh).

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

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Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

# CASH FLOW STATEMENT

for the year ended 31st March, 2018

₹ in lakh

| | | 2017-18 | | 2016-17 | |
|---|---|---|---|---|---|
| **A:** | **CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| | **Loss before tax as per Statement of Profit and Loss** | | **(6,448)** | | **(11,865)** |
| | **Adjusted for:** | | | | |
| | (Profit)/ loss on sale/ discarding of Property, Plant and Equipment (net) | 487 | | (2) | |
| | Bad debts and allowance for doubtful trade receivables | 2 | | 22 | |
| | Depreciation and amortisation expense | 788 | | 853 | |
| | Effect of exchange rate change | 10 | | - | |
| | Liabilities and Provisions written back | - | | (351) | |
| | (Profit)/ loss on sale of investments (net) | - | | (10) | |
| | Net gain/ loss arising on financial assets designated at fair value through profit or loss | (8,973) | | (899) | |
| | Amortisation of Lease rent | 6 | | - | |
| | Interest income | (260) | | (253) | |
| | Finance costs | 7,755 | | 7,037 | |
| | | | (185) | | 6,397 |
| | Operating profit/ (loss) before working capital changes | | (6,633) | | (5,468) |
| | Adjusted for: | | | | |
| | Trade and other receivables | (144) | | (1,357) | |
| | Inventories | 22 | | 13 | |
| | Trade and other payables | (729) | | 1,420 | |
| | | | (851) | | 76 |
| | Cash used in operations | | (7,484) | | (5,392) |
| | Taxes paid (net) | | (154) | | (309) |
| | **Net cash used in operating activities** | | **(7,638)** | | **(5,701)** |
| **B:** | **CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| | Payment for Property, plant and equipment & Intangible assets | | (394) | | (1,141) |
| | Proceeds from disposal of Property, Plant and Equipment | | 45 | | 19 |
| | Purchase of non-current investments | | (2,769) | | (36,895) |
| | Sale of investments | | - | | 10 |
| | Long term loan provided | | (142) | | - |
| | Proceeds from long term loans | | 7,866 | | - |
| | Loans given to related parties | | (1,138) | | 141 |
| | Net Withdrawal of/ (Investment in) fixed deposits | | 33 | | 31 |
| | Interest income | | 51 | | 62 |
| | **Net cash generated from/ (used in) investing activities** | | **3,552** | | **(37,773)** |
| **C:** | **CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| | Repayment of long term borrowings | | (12) | | (4,016) |
| | Proceeds from current borrowings (net) | | 11,571 | | 54,221 |
| | Interest paid | | (7,474) | | (7,076) |
| | **Net cash generated from financing activities** | | **4,085** | | **43,129** |
| | Net decrease in cash and cash equivalents | | (1) | | (345) |
| | Opening balance of cash and cash equivalents | | 3 | | 348 |
| | **Closing balance of cash and cash equivalents (Refer Note 9)** | | **2** | | **3** |

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

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**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## A CORPORATE INFORMATION

Network18 Media & Investments Limited ("the Company") is a listed Company incorporated in India.

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

The Company is engaged in the business of publishing, digital and mobile content and allied businesses.

## B SIGNIFICANT ACCOUNTING POLICIES

### B.1 Basis Of Preparation And Presentation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which have been measured at fair value amount.

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

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

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

### B.2 Summary Of Significant Accounting Policies

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

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

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

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

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

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

**(b) Intangible assets:**

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

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

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

Computer software and Website costs are being amortised over its estimated useful life of 3 to 5 years.

**(c) Leases:**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

rewards of ownership to the lessee. All other leases are classified as operating leases.

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

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

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

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

**(d) Borrowing Cost**

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

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

**(e) Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

**(f) Impairment of non-financial assets - property, plant and equipment and intangible assets:**

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

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

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

**(g) Provisions and Contingencies**

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

**(h) Employee Benefits**

Short Term Employee Benefits

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

Long Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

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

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

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

**(i) Tax Expenses**

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

i Current tax

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

ii Deferred tax

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

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

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**(j) Share based payments**

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

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

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

**(k) Foreign currencies transactions and translation**

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

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

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

**(l) Revenue recognition**

Revenue from operations includes sale of goods and services. Sale of services includes advertisement revenue, subscription revenue, revenue from sponsorship of events, revenue from mobile short messaging, revenue from media related professional and consultancy services.

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

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

Interest income

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

Dividend income

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

**(m) Financial instruments**

(i) Financial Assets

**A. Initial recognition and measurement:**

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

**B. Subsequent measurement:**

a) Financial assets carried at amortised cost

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

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

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

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

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

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

**C. Investment in subsidiaries and associates**

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

**D. Equity investments:**

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

**E. Impairment of financial assets**

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

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

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

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

is significant increase in credit risk full lifetime ECL is used.

(ii) Financial Liabilities

**A. Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement:**

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

(iii) Derecognition of financial instruments

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

(iv) Offsetting

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

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

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

**a) Depreciation and useful lives of Property, plant and equipment and Intangible assets:**

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

**b) Recoverability of trade receivable:**

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

**c) Provisions:**

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

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

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units ("CGU's") fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**e) Impairment of financial assets:**

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

**f) Defined benefit plans:**

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

## D STANDARDS ISSUED BUT NOT EFFECTIVE:

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

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

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

**ii. Amendment to Existing issued Ind AS**

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

a Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

b Ind AS 40 - Investment Property

c Ind AS 12 - Income Taxes

d Ind AS 28 - Investments in Associates and Joint Ventures and

e Ind AS 112 - Disclosure of Interests in Other Entities

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

## Note 1 Property, plant and equipment and Intangible assets

₹ in lakh

| Description | | Gross Block | | | | Depreciation/ Amortisation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1st April, 2017 | Additions | Deductions/ Adjustments | As at 31st March, 2018 | As at 1st April, 2017 | For the year | Deductions/ Adjustments | As at 31st March, 2018 | As at 31st March, 2018 | As at 31st March, 2017 |
| **1.1** | **Property, Plant and Equipment** | | | | | | | | | | |
| | **Tangible Assets:** | | | | | | | | | | |
| | Freehold land | 6 | - | - | 6 | - | - | - | - | 6 | 6 |
| | Leasehold Improvement | 1,112 | - | - | 1,112 | 956 | 38 | - | 994 | 118 | 156 |
| | Building | 88 | - | - | 88 | 36 | 1 | - | 37 | 51 | 52 |
| | Plant and Equipment | 493 | 17 | 1 | 509 | 379 | 24 | - | 403 | 106 | 114 |
| | Information Technology and related equipment | 5,118 | 366 | 588 | 4,896 | 3,831 | 479 | 579 | 3,731 | 1,165 | 1,287 |
| | Furniture and Fixture | 541 | 1 | - | 542 | 476 | 10 | - | 486 | 56 | 65 |
| | Vehicles | 280 | - | 122 | 158 | 196 | 18 | 93 | 121 | 37 | 84 |
| | Leasehold land (₹ 40,000) | 0 | - | - | 0 | - | - | - | - | 0 | 0 |
| | **Total** | **7,638** | **384** | **711** | **7,311** | **5,874** | **570** | **672** | **5,772** | **1,539** | **1,764** |
| | **Previous year** | **6,877** | **924** | **163** | **7,638** | **5,515** | **504** | **146** | **5,874** | **1,764** | **1,362** |
| **1.2** | **Intangible assets** | | | | | | | | | | |
| | Software | 1,813 | 8 | 3 | 1,818 | 1,411 | 115 | 1 | 1,525 | 293 | 402 |
| | Website costs | 2,189 | 9 | 820 | 1,378 | 1,547 | 103 | 329 | 1,321 | 57 | 642 |
| | **Total** | **4,002** | **17** | **823** | **3,196** | **2,958** | **218** | **330** | **2,846** | **350** | **1,044** |
| | **Previous year** | **3,646** | **356** | **-** | **4,002** | **2,609** | **349** | **-** | **2,958** | **1,044** | **1,037** |
| | **Grand Total** | **11,640** | **401** | **1,534** | **10,507** | **8,832** | **788** | **1,002** | **8,618** | **1,889** | **2,808** |
| | **Previous year** | **10,523** | **1,280** | **163** | **11,640** | **8,125** | **853** | **146** | **8,832** | **2,808** | **2,398** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 2 Non-current Investments

₹ in lakh

| | | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|---|
| | | Units | Amount | Units | Amount |
| **Investments measured at Cost** | | | | | |
| **(i)** | **In equity instruments** | | | | |
| **(a)** | **Subsidiary companies (Quoted)-Fully paid up** | | | | |
| | Equity shares of ₹ 2 each in TV18 Broadcast Limited | 87,70,35,062 | 2,56,224 | 87,70,35,062 | 2,56,224 |
| | Equity shares of ₹ 10 each in Infomedia Press Limited | 2,54,42,694 | 24,665 | 2,54,42,694 | 24,665 |
| | Less: Impairment in value of investments | | (24,619) | | (24,619) |
| | | | **2,56,270** | | **2,56,270** |
| **(b)** | **In Corpus of Trust (Unquoted)** | | | | |
| | Beneficiary interest in Network 18 Media Trust (Network18 Media Trust holds 11,586,762 Equity shares of the Company) | | 18,157 | | 18,157 |
| | Less: Impairment in value of investments | | (13,882) | | (13,882) |
| | | | **4,275** | | **4,275** |
| **(c)** | **Subsidiary companies (Unquoted)-Fully paid up** | | | | |
| | Equity shares of USD 1 each in Network18 Holdings Limited, Mauritius | 15,00,000 | 679 | 15,00,000 | 679 |
| | Equity shares of USD 1 each in Television Eighteen Media and Investments Limited, Mauritius | 1,00,001 | 40 | 1,00,001 | 40 |
| | Equity shares of ₹ 10 each in Digital18 Media Limited | 50,000 | 5 | 50,000 | 5 |
| | Less: Impairment in value of investments | | (5) | | (5) |
| | Equity shares of USD 1 each in Television Eighteen Mauritius Limited, Mauritius | 1,22,95,000 | 1,606 | 1,22,95,000 | 1,606 |
| | Equity shares of ₹ 10 each in Capital18 Fincap Private Limited | 10,000 | 1 | 10,000 | 1 |
| | Less: Impairment in value of investments | | (1) | | (1) |
| | Equity shares ₹ 10 each in TV18 Home Shopping Network Limited | - | - | 2,94,658 | 17,591 |
| | | | **2,325** | | **19,916** |
| **(d)** | **Associate Companies (Unquoted) - Fully paid up** | | | | |
| | Equity shares of ₹ 10 each in Big Tree Entertainment Private Limited. | 5,18,781 | 490 | 5,18,781 | 490 |
| | Equity shares ₹ 10 each in TV18 Home Shopping Network Limited | 7,67,196 | 45,299 | - | - |
| | | | **45,789** | | **490** |
| **(ii)** | **In preference shares** | | | | |
| **(a)** | **Subsidiary companies (Unquoted)-Fully paid up** | | | | |
| | Optional fully convertible preference shares of USD 1 fully paid up in Television Eighteen Media and Investments Limited, Mauritius | 4,91,18,691 | 20,103 | 4,91,18,691 | 20,103 |
| | 15% Optional fully convertible preference shares of ₹ 10 each in Capital18 Fincap Private Limited | 25,48,000 | 11,007 | 25,48,000 | 11,007 |
| | Less: Impairment in value of investments | | (11,007) | | (11,007) |
| | 0.001% Non-cumulative compulsorily convertible preference shares of ₹ 100 each in TV18 Home Shopping Network Limited. (converted into 393,885 Equity shares of face value of ₹ 10 each)" | - | - | 2,44,497 | 24,939 |
| | | | **20,103** | | **45,042** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 2 **Non-current Investments** (Contd.)

₹ in lakh

| | | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|---|
| | | Units | Amount | Units | Amount |
| **(b)** | **Associate companies (Unquoted)-Fully paid up** | | | | |
| | Compulsorily convertible preference shares Series B of ₹ 1,000 each in Big Tree Entertainment Private Limited | 2,32,356 | 4,768 | 2,32,356 | 4,768 |
| | Compulsorily convertible preference shares Series C of ₹ 1000 each in Big Tree Entertainment Private Limited | 363,207 | 19,014 | 3,63,207 | 19,014 |
| | | | **23,782** | | **23,782** |
| **(iii)** | **In debentures of** | | | | |
| **(a)** | **Subsidiary companies (Unquoted) Fully paid up** | | | | |
| | Zero coupon optionally fully convertible debentures of ₹ 1000 each in Capital18 Fincap Private Limited | 7,88,902 | 5,784 | 7,88,902 | 5,784 |
| | Zero coupon optionally fully convertible debentures of ₹ 1000 each in Digital18 Media Limited | 4,94,500 | 4,945 | 4,94,500 | 4,945 |
| | Less: Impairment in value of investments | | (4,320) | | (4,320) |
| | Zero coupon optionally fully convertible debentures of ₹ 1000 each in RRB Investments Private Limited | 2,70,400 | 2,704 | 2,70,400 | 2,704 |
| | Less: Impairment in value of investments | | (2,604) | | (2,604) |
| | Zero coupon optionally fully convertible debentures of USD 1 each in Network18 Holdings Limited, Mauritius Investments measured at Amortised Cost | 1,20,00,000 | 7,180 | 1,20,00,000 | 7,180 |
| | | | **13,689** | | **13,689** |
| | **Investments measured at Amortised Cost** | | | | |
| **(iv)** | **Others (Unquoted) Fully paid up** | | | | |
| (a) | Unsecured redeemable non-convertible, upper Tier II Bonds of Yes Bank Limited of ₹ 1,000,000 each | 30 | 300 | 30 | 300 |
| | | | **300** | | **300** |
| | **Total Non Current Investments** | | **3,66,533** | | **3,63,764** |
| **2.1** | **Category-wise Non current Investment** | | | | |
| | Financial assets measured at Cost | | 3,66,233 | | 3,63,464 |
| | Financial assets measured at Amortised Cost | | 300 | | 300 |
| | **Total Non Current Investments** | | **3,66,533** | | **3,63,764** |
| | Aggregate amount of quoted investments | | 2,80,889 | | 2,80,889 |
| | Aggregate market value of quoted investments | | 5,89,241 | | 3,69,601 |
| | Aggregate amount of unquoted investments | | 1,42,082 | | 1,39,313 |
| | Aggregate amount of impairment in value of investments | | (56,438) | | (56,438) |

**2.2** The list of subsidiaries, joint ventures and associates along with proportion of ownership interest held and country of incorporation are disclosed under Corporate Information of the Consolidated Financial Statement

**2.3** During the previous year, the Company received 11,08,800 bonus shares of Big Tree Entertainment Private Limited

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 3 Loans - Non-current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **(Unsecured and considered good)** | | |
| (a) Loans to Related parties | 2,456 | 2,314 |
| (b) Loans to Others | 17,141 | 16,034 |
| **Total** | **19,597** | **18,348** |

### 3.1 Loans given to Subsidiaries:

| Name of the Company | 31st March, 2018 | 31st March, 2017 |
|---|---|---|
| 1 Infomedia Press Limited | 2 456 | 2,314 |
| **Total** | **2,456** | **2,314** |

All the above loans have been given for business purposes/ corporate general purpose.

## Note 4 Other financial assets - Non-current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Fixed Deposits under lien with Government authorities | - | 3 |
| Security deposits (Unsecured and considered good) | 70 | 27 |
| Interest accrued but not due on loan | 1,185 | 1,012 |
| | **1,255** | **1,042** |

## Note 5 Other non-current assets

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **(Unsecured and considered good)** | | |
| Capital Advances | 1 | - |
| Advance Income Tax (Net of Provision NIL (Previous year ₹ 305 lakh)) | 3,836 | 3,682 |
| Prepaid Expenses | 141 | 53 |
| **Total** | **3,978** | **3,735** |

## Note 6 Inventories

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **(valued at lower of cost or net realisable value)** | | |
| Raw Materials | 35 | 57 |
| **Total** | **35** | **57** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 7 Investments - current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Measured at Fair value through Other Comprehensive Income (FVTOCI) | | |
| In Equity Shares (Quoted) - Fully paid up | | |
| 6,98,288 (previous year 6,98,288) equity shares of ₹ 10 each in DEN Networks Limited | 706 | 577 |
| The book value is nominal. | | |
| **Total** | **706** | **577** |

## Note 8 Trade receivables

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Unsecured and considered good | 4,581 | 4,008 |
| Unsecured and considered doubtful | 551 | 1,284 |
| | **5,132** | **5,292** |
| Less:- Allowance for doubtful receivables | 551 | 1,284 |
| **Total** | **4,581** | **4,008** |

### 8.1 Movement in allowance for doubtful receivables

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| At the beginning of the year | 1,284 | 1,051 |
| Movement during the year | (733) | 233 |
| At the end of the year | **551** | **1,284** |

## Note 9 Cash and cash equivalents

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Balances with bank | | |
| In current accounts | 2 | 3 |
| Total | **2** | **3** |

## Note 10 Bank balances other than cash and cash equivalents

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Earmarked balances with bank: | | |
| Balance with bank towards deposit which remain unclaimed and interest thereon | 216 | 252 |
| Balance with bank towards non-cumulative convertible redemable preference shares which remain unclaimed | 7 | 7 |
| Fixed deposits under lien with Government authorities | 3 | - |
| **Total** | **226** | **259** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 11 Loans - current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **(Unsecured and considered good)** | | |
| Loans to related parties | 1,133 | 1 |
| Loans to others | - | 3 |
| **Total** | **1,133** | **4** |

**11.1 Loans given to related parties:**

| | | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| **(i)** | **Loans to Subsidiaries Company:** | | |
| | **Name of the Company** | | |
| | Digital 18 Media Limited | 450 | - |
| | Greycells 18 Media Ltd | 682 | - |
| | Network18 Media Trust | 1 | 1 |
| | **Total** | **1,133** | **1** |
| | The above loan has been given for business purpose/ corporate general purpose. | | |
| (ii) | Loans are repayable within 1 year. | | |

## Note 12 Other financial assets - current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Interest accrued on Loans and Investments | 52 | 16 |
| Security deposits (unsecured and considered good) | 28 | 59 |
| Unbilled revenue | - | 161 |
| Other receivables from related parties | - | 58 |
| **Total** | **80** | **294** |

## Note 13 Other current assets

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Advances to vendors | 16 | 15 |
| Advances to related parties | 64 | - |
| Prepaid expenses | 204 | 791 |
| Balance with Government tax authorities | 582 | 388 |
| Others | 30 | 17 |
| **Total** | **896** | **1,211** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 14 | Taxation

₹ in lakh

| | | 2017-18 | 2016-17 |
|---|---|---|---|
| a) | **Income tax recognised in Statement of Profit and Loss** | | |
| | Current tax in respect of earlier years | - | 4 |
| | **Total income tax expenses recognised in the current year** | **-** | **4** |
| | | | |
| b) | **The income tax expenses for the year can be reconciled to the accounting profit as follows:** | | |
| | Loss before tax | (6,448) | (11,869) |
| | Applicable Tax Rate | 26.00% | 30.90% |
| | Computed Tax Expense | (1,676) | (3,668) |
| | Deferred tax on unused tax losses and tax offset | 1,676 | 3,668 |
| | **Tax expenses recognised in the Statement of Profit and Loss** | **-** | **-** |
| | | | |
| | **Deferred Tax** | | |

The Company has not recognised the deferred tax assets (net) amounting to ₹ 28,546 lakh (Previous year ₹ 33,509 lakh) arising out of tangible and intangible assets, financials assets, unabsorbed depreciation, brought forward tax losses and other items due to non-existence of probability of taxable income against which the assets can be realised. The same shall be reassessed at subsequent balance sheet date.

₹ in lakh

| | | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| c) | **Advance tax (net of provision)** | | |
| | At start of year | 3,682 | 3,377 |
| | Short provision for earlier years | - | 4 |
| | Tax paid | 154 | 309 |
| | **At end of the year** | **3,836** | **3,682** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 15 Equity share capital

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Number of Shares | ₹ in lakh | Number of Shares | ₹ in lakh |
| **(a) Authorised Share Capital:** | | | | |
| Equity shares of ₹ 5 each | 5,00,00,00,000 | 2,50,000 | 5,00,00,00,000 | 2,50,000 |
| Preference shares of ₹ 100 each | 11,00,000 | 1,100 | 11,00,000 | 1,100 |
| Preference shares of ₹ 200 each | 1,05,00,000 | 21,000 | 1,05,00,000 | 21,000 |
| Preference shares of ₹ 10 each | 1,55,00,000 | 1,550 | 1,55,00,000 | 1,550 |
| **(b) Issued, Subscribed and fully paid up** | | | | |
| Equity Shares of ₹ 5 each | | | | |
| (i) Issued | 1,04,69,48,519 | 52,347 | 1,04,69,48,519 | 52,347 |
| (ii) Subscribed and fully paid up | 1,04,69,48,519 | 52,347 | 1,04,69,48,519 | 52,347 |
| **Total** | **1,04,69,48,519** | **52,347** | **1,04,69,48,519** | **52,347** |

**15.1** The Company has only one class of equity share having par value of ₹ 5 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

**15.2 Details of shares held by each shareholder holding more than 5% shares :**

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Number of Shares | % Holding | Number of Shares | % Holding |
| 1 RRB Mediasoft Private Limited | 10,85,15,123 | 10.36% | 10,85,15,123 | 10.36% |
| 2 RB Mediasoft Private Limited | 12,75,60,417 | 12.18% | 12,75,60,417 | 12.18% |
| 3 RB Media Holdings Private Limited | 12,75,28,586 | 12.18% | 12,75,28,586 | 12.18% |
| 4 Watermark Infratech Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| 5 Colorful Media Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| 6 Adventure Marketing Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |

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

**15.4 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:**

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Number of Shares | ₹ in lakh | Number of Shares | ₹ in lakh |
| Equity Shares opening balance | 1,04,69,48,519 | 52,347 | 1,04,69,48,519 | 52,347 |
| Add : Shares issued during the year | - | - | - | - |
| **Equity Shares closing balance** | **1,04,69,48,519** | **52,347** | **1,04,69,48,519** | **52,347** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 16 Other Equity

₹ in lakh

| | | | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|---|
| **a.** | **Reserves and Surplus** | | | |
| | i | Capital reserve | | |
| | | As per last Balance Sheet | 69 | 69 |
| | | | **69** | **69** |
| | ii | Securities premium account | | |
| | | As per last Balance Sheet | 3,33,863 | 3,33,863 |
| | | | **3,33,863** | **3,33,863** |
| | iii | General reserve | | |
| | | As per last Balance Sheet | 1,135 | 1,135 |
| | | | **1,135** | **1,135** |
| | iv | Retained Earnings | | |
| | | As per last Balance Sheet | (1,34,045) | (1,22,215) |
| | | Add: Loss for the year | (6,448) | (11,869) |
| | | Add: Remeasurement of the defined benefit plan | (2) | 39 |
| | | | **(1,40,495)** | **(1,34,045)** |
| | v | Other Comprehensive Income (OCI) | | |
| | | As per last Balance Sheet | 577 | 602 |
| | | Add: Movement in OCI (net) during the year | 129 | (25) |
| | | | **706** | **577** |
| | | | | |
| | | **Total of Other Equity** | **1,95,278** | **2,01,599** |

## Note 17 Borrowings

₹ in lakh

| | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Non-current | Current | Non-current | Current |
| **Secured** | | | | |
| Term Loans - from Bank | - | - | 7 | 5 |
| **Total** | **-** | **-** | **7** | **5** |

**17.1 Security details of borrowings are as follows.**

| Particular | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Term loans was secured by hypothecation of the vehicle financed therefrom and was payable in equal monthly installments of 48-60 months | - | 12 |
| **Total** | **-** | **12** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 18 Provisions - Non-current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for compensated absences | 142 | 106 |
| Provision for gratuity (Refer Note 27.2) | 220 | 169 |
| **Total** | **362** | **275** |

## Note 19 Borrowings - Current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **Overdraft/ Cash Credit/ Working Capital Demand Loan ("WCDL") from Banks:** | | |
| Secured | - | 228 |
| Unsecured | 24,104 | 3,184 |
| **Commercial paper (unsecured)** | | |
| From Banks | 4,988 | - |
| Others | 91,081 | 1,00,000 |
| **Loans from related parties*** | 6,300 | 11,432 |
| **Total** | **1,26,473** | **1,14,844** |

**19.1 Security and repayment details for overdraft/ cash credit facilities including working capital demand loans is as follows:**

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| i) The Overdraft/ Cash Credit/ WCDL from Banks is repayable on demand. This loan was secured against first pari passu hypothecation charge on all existing and future current assets and movable fixed assets of the Company. | - | 228 |
| **Total** | **-** | **228** |

ii) Unsecured overdraft/ Cash Credit/ WCDL from a Bank is payable on demand

iii) The above bank loans carry an interest rate reference to the respective bank's marginal cost of lending rate ('MCLR') and mutually agreed spread.

iv) All commercial papers are repayable within a year

v) Loans from related parties repayable within a year

(*includes interest accrued and due amounting to Nil (previous year ₹ 1,732 lakh).

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 20 Trade payables

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Micro, Small and Medium Enterprises (₹ 49,380) | 4 | 0 |
| Others | 2,705 | 3,606 |
| **Total** | **2,709** | **3,606** |

Based on the information available with the Company, the balance due to Micro & Small Enterprises as defined under the Micro, Small and Medium enterprises Development (MSMED) Act, 2006 is ₹ 4 lakh (Previous year ₹ 0.49 lakh) under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information provided by the parties.

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

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Principal amount due and remaining unpaid (₹ 49,380) | 4 | 0 |
| Interest due on above and the unpaid interest | - | - |
| Interest paid | - | - |
| Payment made beyond the appointed day during the year | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of further interest remaining due and payable in succeeding years | - | - |

## Note 21 Other financial liabilities - Current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Current maturities of long term debt from banks | - | 5 |
| Security Deposits | 47 | 69 |
| Interest accrued but not due on borrowings | 281 | - |
| Unclaimed preference shares redemption amount | 7 | 7 |
| Unclaimed matured deposits and interest accrued on deposits | 216 | 252 |
| Others | 8 | 790 |
| **Total** | **559** | **1,123** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 22 Other Current Liabilities

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Unearned revenue | 29 | - |
| Other payables | | |
| Statutory dues | 303 | 343 |
| Advances from customers | 172 | 170 |
| Others* | 881 | - |
| **Total** | **1,385** | **513** |

**includes employee related payables.*

## Note 23 Provisions - current

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for compensated absences | 4 | 3 |
| Provision for gratuity (Refer Note 27.2) | 4 | 3 |
| | **8** | **6** |
| **Other Provisions** | | |
| Provision for Indemnity (Refer Note 23.1) | 21,726 | 21,726 |
| Provision for Sales Return | 64 | 64 |
| **Total** | **21,798** | **21,796** |

23.1 During the year ended 31 March, 2011, Roptonal Limited, Cyprus ('Roptonal') a subsidiary of the Company's then jointly controlled entity, Viacom18 Media Private Limited made a public offer for purchase of entire issued capital of The Indian Film Company Limited, Guernsey ('TIFC'). The Company and its subsidiary, Network18 Holdings Limited, Mauritius ('Network18 Holdings'), in their capacity as shareholders in TIFC accepted the public offer. Further, pursuant to an agreement between Roptonal and Network18 Holdings, Network18 Holdings has agreed to indemnify Roptonal against the amount, if any, by which the net cash generated by TIFC from its existing film library in respect of the period from the date on which the aforementioned public offer becomes unconditional up to 21st July, 2014 is less than the net asset value of the film library as per the TIFC's therein mentioned accounts for the year ended 31st March, 2010.

Network18 Holdings has also agreed to indemnify Roptonal against certain Indian tax liabilities that may potentially arise in TIFC or Roptonal in respect of certain withholding tax recoveries stated in TIFC's financial statements and other taxes relating to the sale of Network18 Holding's shares in TIFC. The aforementioned agreement further provided that if Network18 Holding does not undertake the indemnity obligations agreed in the agreement, the indemnity shall be provided by the Company.

During the previous years, based on the assessment of estimated cash flow of the indemnified assets, the Company has estimated the liability as ₹ 21,726 lakh.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 24 Revenue from Operations

₹ in lakh

| | 2017-18 | 2016-17 |
|---|---|---|
| Sale of services | 6,697 | 5,978 |
| Sale of Products | 156 | 238 |
| Other operating revenues | 183 | 470 |
| **Total** | **7,036** | **6,686** |

## Note 25 Other Income

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Interest income on | | |
| Loans and advances | 232 | 251 |
| Deposit accounts with banks | - | 2 |
| Others | 34 | 6 |
| | 266 | 259 |
| Net gain/ loss arising on sale of investments | - | 10 |
| Write back of earlier years' expense provisions | - | 351 |
| Net gain/ loss arising on financial assets designated at fair value through profit or loss | 8,973 | 899 |
| Other Miscellaneous Income | 5 | - |
| **Total** | **9,244** | **1,519** |

## Note 26 Cost of materials consumed

₹ in lakh

| | 2017-18 | 2016-17 |
|---|---|---|
| Opening balance | 57 | 70 |
| Add : Purchases during the year | 88 | 153 |
| Less: Closing balance | 35 | 57 |
| **Total** | **110** | **166** |

## Note 27 Employee Benefits Expense

₹ in lakh

| | 2017-18 | 2016-17 |
|---|---|---|
| Salaries and wages | 5,829 | 4,845 |
| Contribution to provident and other funds | 317 | 227 |
| Gratuity expense (Refer Note 27.2) | 87 | 66 |
| Staff welfare expenses | 301 | 434 |
| **Total** | **6,534** | **5,572** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

**27.1 Defined contribution plans**

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

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

| Particulars | For the year | |
|---|---|---|
| | 2017-18 | 2016-17 |
| Employer's Contribution to Provident Fund | 210 | 187 |
| Employer's Contribution to Pension Fund | 83 | 38 |
| Employer's Contribution to Employees State Insurance | 3 | 2 |

**27.2 Defined benefit plans**

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognised in the same manner as gratuity.

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

| Particulars | Gratuity (Unfunded) | |
|---|---|---|
| | 2017-18 | 2016-17 |
| Defined Benefit obligation at beginning of the year | 172 | 193 |
| Current Service Cost | 74 | 50 |
| Interest Cost | 13 | 16 |
| Actuarial (gain)/ loss | 2 | (39) |
| Benefits paid | (37) | (48) |
| **Defined Benefit obligation at year end** | **224** | **172** |

ii) Expenses recognised during the year:

| Particulars | Gratuity (Unfunded) | |
|---|---|---|
| | 2017-18 | 2016-17 |
| In Income Statement | | |
| Current Service Cost | 74 | 50 |
| Interest Cost | 13 | 16 |
| **Net Cost** | **87** | **66** |
| **In Other Comprehensive Income (OCI)** | | |
| Actuarial gain / (loss) for the year on defined benefit obligation | 2 | (39) |
| **Net expense/ income for the year recognised in OCI** | **2** | **(39)** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

iii) Actuarial assumptions:

| Particulars | For the year | |
|---|---|---|
| | 2017-18 | 2016-17 |
| Mortality Table | IALM (06-08) | IALM (06-08) |
| Discount rate (per annum) | 7.70% | 7.60% |
| Rate of escalation in salary (per annum) | 5.50% | 5.50% |

IALM - Indian Assured Lives Mortality

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

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

iv) Sensitivity Analysis

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

| Particulars | | Gratuity (Unfunded) | |
|---|---|---|---|
| | | 2017-18 | 2016-17 |
| **a)** | **Impact of the change in discount rate** | | |
| | Present value of obligation at the end of the period | 224 | 172 |
| | i) Impact due to increase of 0.50% | (14) | (12) |
| | ii) Impact due to decrease of 0.50% | 16 | 14 |
| **b)** | **Impact of the change in salary increase** | | |
| | Present value of obligation at the end of the period | 224 | 172 |
| | i) Impact due to increase of 0.50% | 15 | 14 |
| | ii) Impact due to decrease of 0.50% | (14) | (13) |

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

(A) Interest risk - A decrease in the discount rate will increase the plan liability.

(B) Longevity risk – The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(C) Salary risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 28 Finance Costs

₹ in lakh

| | 2017-18 | 2016-17 |
|---|---|---|
| Interest cost | 7,739 | 7,015 |
| Other borrowing costs | 16 | 22 |
| **Total** | **7,755** | **7,037** |

## Note 29 Other Expenses

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Royalty expenses | 35 | - |
| Content expenses | 1,472 | 1,010 |
| Other production expenses | 963 | 407 |
| Repairs to building | 1 | 8 |
| Repairs to plant and equipment | 19 | 55 |
| Other repairs | 66 | 108 |
| Electricity expenses | 97 | 130 |
| Insurance | 28 | 30 |
| Travelling and conveyance expenses | 463 | 644 |
| Director sitting fees | 60 | 63 |
| Professional and Legal fees (Refer Note 29.1) | 410 | 371 |
| Rent | 754 | 795 |
| Rates and taxes | 68 | 1 |
| (Profit)/ Loss on sale/ discarding of assets (net) | 487 | (2) |
| Net foreign exchange loss/ (gain) | 17 | (8) |
| Bad debts and allowance for doubtful trade receivables | 2 | 22 |
| Other establishment expenses | 676 | 1,206 |
| **Total** | **5,618** | **4,840** |

**29.1 Payment to Auditors :**

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| (a) Statutory Audit fees | 35 | 35 |
| (b) Limited review fees | 35 | 35 |
| **Total** | **70** | **70** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 30 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto by the company during the year is NIL (Previous year NIL).

## Note 31 Earnings per Share (EPS)

| | | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| i) | Net Loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakh) | (6,448) | (11,869) |
| ii) | Weighted average number of equity shares used as denominator for calculating basic and diluted EPS | 1,04,69,48,519 | 1,04,69,48,519 |
| iii) | Basic and diluted Earnings per Share (₹) | (0.62) | (1.13) |
| iv) | Face Value per Equity Share (₹) | 5.00 | 5.00 |

## Note 32 Related parties disclosures

**As per Ind AS 24, the disclosures of transactions with the related parties are given below.**

**(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships:**

| Sr. No. | Name of the Related Parties | Relationships |
|---|---|---|
| 1 | Independent Media Trust | Enterprises exercising control |
| 2 | Adventure Marketing Private Limited * | |
| 3 | Watermark Infratech Private Limited * | |
| 4 | Colorful Media Private Limited * | |
| 5 | RB Media Holdings Private Limited * | |
| 6 | RB Mediasoft Private Limited * | |
| 7 | RRB Mediasoft Private Limited * | |
| 8 | RB Holdings Private Limited * | |
| 9 | Teesta Retail Private Limited | |
| 10 | Reliance Industries Limited | Beneficiary/ Protector of Independent Media Trust |
| 11 | Reliance Industrial Investments and Holdings Limited | |
| 12 | IBN Lokmat News Private Limited | Joint Ventures of subsidiary |
| 13 | Viacom18 Media Private Limited @ | |
| 14 | IndiaCast Media Distribution Private Limited @ | |
| 15 | Viacom18 Media UK Limited @ | |
| 16 | IndiaCast UK Limited @ | |
| 17 | IndiaCast US Limited @ | |
| 18 | Viacom18 US Inc @ | |
| 19 | Roptonal Limited @ | |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

| Sr. No. | Name of the Related Parties | Relationships |
|---|---|---|
| 20 | 24X7 Learnings Private Limited | Associates |
| 21 | Big Tree Entertainment Private Limited | |
| 22 | Foodfesta Wellcare Private Limited | |
| 23 | TV18 Home Shopping Network Limited (w.e.f. 15.2.2018) | |
| 24 | AETN18 Media Private Limited | Subsidiaries |
| 25 | Capital18 Fincap Private Limited | |
| 26 | Coloseum Media Private Limited | |
| 27 | Digital18 Media Limited | |
| 28 | E-18 Limited | |
| 29 | e-Eighteen.com Limited | |
| 30 | Equator Trading Enterprises Private Limited | |
| 31 | ibn18 (Mauritius) Ltd. | |
| 32 | Infomedia Press Limited | |
| 33 | Moneycontrol.Dot Com India Limited | |
| 34 | Network18 Holdings Ltd. | |
| 35 | NW18 HSN Holdings PLC (upto 14.2.2018) | |
| 36 | Panorama Television Private Limited | |
| 37 | Reed Infomedia India Private Limited | |
| 38 | RRB Investments Private Limited | |
| 39 | RRK Finhold Private Limited | |
| 40 | RVT Finhold Private Limited | |
| 41 | Setpro18 Distribution Limited | |
| 42 | Television Eighteen Mauritius Limited | |
| 43 | Television Eighteen Media and Investment Limited | |
| 44 | TV18 Broadcast Limited | |
| 45 | TV18 Home Shopping Network Limited (upto 14.2.2018) | |
| 46 | Viacom18 Media Private Limited@ | |
| 47 | IndiaCast Media Distribution Private Limited@ | |
| 48 | Viacom18 Media UK Limited@ | |
| 49 | IndiaCast UK Limited@ | |
| 50 | IndiaCast US Limited@ | |
| 51 | Viacom18 US Inc@ | |
| 52 | Roptonal Limited@ | |
| 53 | Web18 Holdings Limited | |
| 54 | Web18 Software Services Limited | |
| 55 | Greycells18 Media Limited | |
| 56 | RVT Media Private Limited | |
| 57 | Network18 Media Trust | |
| 58 | Reliance Jio Messaging Service Private Limited | Fellow Subsidiaries |
| 59 | Reliance Jio Digital Services Private Limited | |
| 60 | Reliance Corporate IT Park Limited | |
| 61 | Reliance Jio Infocomm Limited | |
| 62 | Reliance Retail Limited | |

** Controlled by Independent Media Trust of which Reliance Industries Limited is the sole beneficiary*
*@ Accounted as Joint venture till 28.02.2018 and as subsidary w.e.f. 01.03.2018*

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

**(b) Details of transactions and balances with related parties**

₹ in lakh

| | Particulars | Beneficiary/ Protector of Independent Media Trust | Joint Ventures of subsidiary | Associates | Fellow Subsidiaries | Subsidiaries |
|---|---|---|---|---|---|---|
| **(i)** | **Transactions during the year** | | | | | |
| **(a)** | **Income from operations** | | | | | |
| | e-Eighteen.com Limited | - | - | - | - | 129 |
| | | - | - | - | - | - |
| | Reliance Jio Messaging Service Private Limited | - | - | - | 1 | - |
| | | - | - | - | (256) | - |
| | TV18 Broadcast Limited | - | - | - | - | 328 |
| | | - | - | - | - | (189) |
| | Viacom18 Media Private Limited | - | 8 | - | - | 24 |
| | | - | (48) | - | - | - |
| | Digital 18 Media Limited | - | - | - | - | 2 |
| | | - | - | - | - | - |
| | Greycells 18 Media Limited | - | - | - | - | - |
| | | - | - | - | - | (112) |
| | Reliance Jio Digital Services Private Limited | - | - | - | - | - |
| | | - | - | - | (5) | - |
| | **TOTAL** | **-** | **8** | **-** | **1** | **483** |
| | | **-** | **(48)** | **-** | **(261)** | **(301)** |
| **(b)** | **Expenditure for services received** | | | | | |
| | AETN18 Media Private Limited | - | - | - | - | 3 |
| | | - | - | - | - | - |
| | Colosseum Media Private Limited | - | - | - | - | 2 |
| | | - | - | - | - | - |
| | Digital 18 Media Limited | - | - | - | - | 5 |
| | | - | - | - | - | - |
| | | | | | | |
| | e-Eighteen.com Limited | - | - | - | - | 79 |
| | | - | - | - | - | - |
| | Reliance Corporate IT Park Limited | - | - | - | 20 | - |
| | | - | - | - | - | - |
| | Reliance Jio Infocomm Limited | - | - | - | 1 | - |
| | | - | - | - | - | - |
| | Reliance Retail Limited | - | - | - | 2 | - |
| | | - | - | - | - | - |
| | TV18 Broadcast Limited | - | - | - | - | 12 |
| | | - | - | - | - | (78) |
| | Web18 Software Services Limited | - | - | - | - | - |
| | | - | - | - | - | (6) |
| | **TOTAL** | **-** | **-** | **-** | **23** | **101** |
| | | **-** | **-** | **-** | **-** | **(84)** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| | Particulars | Beneficiary/ Protector of Independent Media Trust | Joint Ventures of subsidiary | Associates | Fellow Subsidiaries | Subsidiaries |
|---|---|---|---|---|---|---|
| **(c)** | **Interest income** | | | | | |
| | Digital 18 Media Limited | - | - | - | - | 18 |
| | | - | - | - | - | - |
| | Greycells 18 Media Limited | - | - | - | - | 22 |
| | | - | - | - | - | - |
| | Infomedia Press Limited | - | - | - | - | 192 |
| | | - | - | - | - | (223) |
| | **TOTAL** | **-** | **-** | **-** | **-** | **232** |
| | | **-** | **-** | **-** | **-** | **(223)** |
| **(d)** | **Interest expenses** | | | | | |
| | e-Eighteen.com Limited | - | - | - | - | 340 |
| | | - | - | - | - | (391) |
| | TV18 Broadcast Limited | - | - | - | - | 517 |
| | | - | - | - | - | (1,534) |
| | **TOTAL** | **-** | **-** | **-** | **-** | **857** |
| | | **-** | **-** | **-** | **-** | **(1,925)** |
| **(e)** | **Reimbursement of expenses (paid)** | | | | | |
| | Big Tree Entertainment Private Limited | - | - | 2 | - | - |
| | | - | - | (2) | - | - |
| | e-Eighteen.com Limited | - | - | - | - | 809 |
| | | - | - | - | - | (656) |
| | Greycells 18 Media Limited | - | - | - | - | 1 |
| | | - | - | - | - | (4) |
| | Panorama Television Private Limited (₹ 18,000) | - | - | - | - | 0 |
| | | - | - | - | - | - |
| | TV18 Broadcast Limited | - | - | - | - | 222 |
| | | - | - | - | - | (600) |
| | 24 X 7 Learning Private Limited | - | - | - | - | - |
| | | - | - | (7) | - | - |
| | **TOTAL** | **-** | **-** | **2** | **-** | **1,032** |
| | | **-** | **-** | **(9)** | **-** | **(1,260)** |
| **(f)** | **Reimbursement of expenses (received)** | | | | | |
| | Big Tree Entertainment Private Limited | - | - | 2 | - | - |
| | | - | - | (43) | - | - |
| | Digital 18 Media Limited | - | - | - | - | 12 |
| | | - | - | - | - | (9) |
| | e-Eighteen.com Limited | - | - | - | - | 1,434 |
| | | - | - | - | - | (850) |
| | Greycells 18 Media Limited | - | - | - | - | 17 |
| | | - | - | - | - | (12) |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| | Particulars | Beneficiary/ Protector of Independent Media Trust | Joint Ventures of subsidiary | Associates | Fellow Subsidiaries | Subsidiaries |
|---|---|---|---|---|---|---|
| | IBN Lokmat News Private Limited | - | 2 | - | - | - |
| | | - | (3) | - | - | - |
| | Moneycontrol Dot Com India Limited | - | - | - | - | 26 |
| | | - | - | - | - | - |
| | TV18 Broadcast Limited (₹ 26,941) | - | - | - | - | 0 |
| | | - | - | - | - | (124) |
| | TV18 Home Shopping Network Limited | - | - | 6 | - | 19 |
| | | - | - | - | - | (79) |
| | Viacom18 Media Private Limited | - | - | - | - | - |
| | | - | (143) | - | - | - |
| | AETN18 Media Private Limited | - | - | - | - | - |
| | | - | - | - | - | (4) |
| | Colosceum Media Private Limited | - | - | - | - | - |
| | | - | - | - | - | (1) |
| | Panorama Television Private Limited | - | - | - | - | - |
| | | - | - | - | - | (11) |
| | **TOTAL** | **-** | **2** | **8** | **-** | **1,508** |
| | | **-** | **(146)** | **(43)** | **-** | **(1,090)** |
| **(g)** | **Assets purchased** | | | | | |
| | Reliance Retail Limited | - | - | - | 17 | - |
| | | - | - | - | - | - |
| | **TOTAL** | **-** | **-** | **-** | **17** | **-** |
| | | **-** | **-** | **-** | **-** | **-** |
| **(h)** | **Loans /advances given during the year** | | | | | |
| | Capital18 Fincap Private Limited | - | - | - | - | - |
| | | - | - | - | - | (18) |
| | Digital 18 Media Limited | - | - | - | - | 450 |
| | | - | - | - | - | - |
| | Greycells 18 Media Limited | - | - | - | - | 682 |
| | | - | - | - | - | - |
| | Infomedia Press Limited | - | - | - | - | 142 |
| | | - | - | - | - | (127) |
| | Web18 Software Services Limited | - | - | - | - | - |
| | (₹ 14,000) | - | - | - | - | (0) |
| | Moneycontrol Dot Com India Limited | - | - | - | - | - |
| | (₹ 7,085) | - | - | - | - | (0) |
| | Reliance Jio Infocomm Limited (₹ 3,960) | - | - | - | 0 | - |
| | | - | - | - | - | - |
| | **TOTAL** | **-** | **-** | **-** | **0** | **1,274** |
| | | **-** | **-** | **-** | **-** | **(145)** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| | Particulars | Beneficiary/ Protector of Independent Media Trust | Joint Ventures of subsidiary | Associates | Fellow Subsidiaries | Subsidiaries |
|---|---|---|---|---|---|---|
| (i) | **Loans /advances taken during the year** | | | | | |
| | Big Tree Entertainment Private Limited | - | - | - | - | - |
| | | - | - | (12) | - | - |
| | Moneycontrol Dot Com India Limited | - | - | - | - | - |
| | (₹ 2,012) | - | - | - | - | (0) |
| | TV18 Broadcast Limited | - | - | - | - | 4,500 |
| | | - | - | - | - | (14,001) |
| | e-Eighteen.com Limited | - | - | - | - | 2,100 |
| | | - | - | - | - | - |
| | **TOTAL** | **-** | **-** | **-** | **-** | **6,600** |
| | | **-** | **-** | **(12)** | **-** | **(14,001)** |
| (j) | **Loans /advances received back during the year** | | | | | |
| | TV18 Broadcast Limited | - | - | - | - | 10,000 |
| | | - | - | - | - | (28,500) |
| | **TOTAL** | **-** | **-** | **-** | **-** | **10,000** |
| | | **-** | **-** | **-** | **-** | **(28,500)** |
| (k) | **Investments during the year** | | | | | |
| | Big Tree Entertainment Private Limited | - | - | - | - | - |
| | | - | - | (19,014) | - | - |
| | Digital 18 Media Limited | - | - | - | - | - |
| | | - | - | - | - | (150) |
| | Capital18 Fincap Private Limited | - | - | - | - | - |
| | | - | - | - | - | (340) |
| | RRB Investments Private Limited | - | - | - | - | - |
| | | - | - | - | - | (100) |
| | TV18 Home Shopping Network Limited | - | - | - | - | 2,769 |
| | | - | - | - | - | (17,591) |
| | **TOTAL** | **-** | **-** | **-** | **-** | **2,769** |
| | | **-** | **-** | **(19,014)** | **-** | **(18,181)** |
| (l) | **Sale of undertaking** | | | | | |
| | Foodfesta Wellcare Private Limited | - | - | 7 | - | - |
| | | - | - | - | - | - |
| | **TOTAL** | **-** | **-** | **7** | **-** | **-** |
| | | **-** | **-** | **-** | **-** | **-** |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| | Particulars | Beneficiary/ Protector of Independent Media Trust | Joint Ventures of subsidiary | Associates | Fellow Subsidiaries | Subsidiaries |
|---|---|---|---|---|---|---|
| **(ii)** | **Balances at the year end** | | | | | |
| **(a)** | **Loan & Advances Receivable (including Interest Accrued)** | | | | | |
| | Digital 18 Media Limited | - | - | - | - | 466 |
| | (Maximum loan balance outstanding during the year ₹ 450 lakh) | - | - | - | - | - |
| | Greycells 18 Media Limited | - | - | - | - | 701 |
| | (Maximum loan balance outstanding during the year ₹ 682 lakh) | - | - | - | - | - |
| | Infomedia Press Limited | - | - | - | - | 3,640 |
| | (Maximum loan balance outstanding during the year ₹ 2,456 lakh) | - | - | - | - | (3,326) |
| | Network18 Media Trust | - | - | - | - | 1 |
| | (Maximum loan balance outstanding during the year ₹ 1 lakh) | - | - | - | - | (1) |
| | **TOTAL** | **-** | **-** | **-** | **-** | **4,808** |
| | | **-** | **-** | **-** | **-** | **(3,327)** |
| **(b)** | **Outstanding Loans and Advances taken (including interest accrued)** | | | | | |
| | e-Eighteen.com Limited | - | - | - | - | 6,581 |
| | | - | - | - | - | (4,552) |
| | TV18 Broadcast Limited | - | - | - | - | - |
| | | - | - | - | - | (6,880) |
| | **TOTAL** | **-** | **-** | **-** | **-** | **6,581** |
| | | **-** | **-** | **-** | **-** | **(11,432)** |
| **(c)** | **Trade Receivables** | | | | | |
| | AETN18 Media Private Limited | - | - | - | - | - |
| | | - | - | - | - | (2) |
| | Big Tree Entertainment Private Limited | - | - | 10 | - | - |
| | | - | - | - | - | - |
| | Capital18 Fincap Private Limited | - | - | - | - | 18 |
| | | - | - | - | - | (18) |
| | Digital 18 Media Limited | - | - | - | - | 6 |
| | | - | - | - | - | (1) |
| | e-Eighteen.com Limited | - | - | - | - | 535 |
| | | - | - | - | - | (209) |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| Particulars | Beneficiary/ Protector of Independent Media Trust | Joint Ventures of subsidiary | Associates | Fellow Subsidiaries | Subsidiaries |
|---|---|---|---|---|---|
| Greycells 18 Media Limited | - | - | - | - | - |
| | - | - | - | - | (151) |
| IBN Lokmat News Private Limited | - | 1 | - | - | - |
| | - | (1) | - | - | - |
| Moneycontrol Dot Com India Limited | - | - | - | - | 30 |
| (₹ 2,012) | - | - | - | - | (0) |
| Panorama TV Private Limited | - | - | - | - | - |
| | - | - | - | - | (12) |
| Reliance Industries Limited | 1 | - | - | - | - |
| | (1) | - | - | - | - |
| Reliance Jio Messaging Service Private Limited | - | - | - | - | - |
| | - | - | - | (102) | - |
| Reliance Jio Infocomm Limited (₹ 3,960) | - | - | - | 0 | - |
| | - | - | - | - | - |
| Reliance Jio Digital Services Private Limited | - | - | - | - | - |
| | - | - | - | (6) | - |
| RVT Finhold Private Limited (₹ 21,275) | - | - | - | - | 0 |
| (₹ 21,275) | - | - | - | - | (0) |
| TV18 Broadcast Limited | - | - | - | - | 58 |
| | - | - | - | - | (73) |
| TV18 Home Shopping Network Limited | - | - | 149 | - | - |
| | - | - | - | - | (169) |
| Viacom18 Media Private Limited | - | - | - | - | 311 |
| | - | (485) | - | - | - |
| Web 18 Software Services Limited | - | - | - | - | 37 |
| | - | - | - | - | (37) |
| **TOTAL** | **1** | **1** | **159** | **0** | **995** |
| | **(1)** | **(486)** | **-** | **(108)** | **(672)** |
| **(d) Trade Payables** | | | | | |
| Big Tree Entertainment Private Limited | - | - | - | - | - |
| | - | - | (12) | - | - |
| Digital 18 Media Limited | - | - | - | - | 2 |
| | - | - | - | - | - |
| e-Eighteen.com Limited | - | - | - | - | 547 |
| | - | - | - | - | (1,317) |

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| Particulars | Beneficiary/ Protector of Independent Media Trust | Joint Ventures of subsidiary | Associates | Fellow Subsidiaries | Subsidiaries |
|---|---|---|---|---|---|
| E-18 Limited | - | - | - | - | 3 |
| | - | - | - | - | (3) |
| Greycells 18 Media Limited | - | - | - | - | - |
| | - | - | - | - | (1) |
| Moneycontrol Dot Com India Limited | - | - | - | - | - |
| (₹ 7,085) | - | - | - | - | (0) |
| Network 18 Holdings Limited | - | - | - | - | 21,726 |
| | - | - | - | - | (21,726) |
| Panorama Television Private Limited (₹ 21,240) | - | - | - | - | 0 |
| | - | - | - | - | - |
| Reliance Corporate IT Park Limited | - | - | - | 21 | - |
| | - | - | - | - | - |
| Reliance Retail Limited | - | - | - | 12 | - |
| | - | - | - | - | - |
| TV18 Broadcast Limited | - | - | - | - | 10 |
| | - | - | - | - | (224) |
| TV18 Home Shopping Network Limited | - | - | 30 | - | - |
| | - | - | - | - | (30) |
| **TOTAL** | **-** | **-** | **30** | **33** | **22,288** |
| | **-** | **-** | **(12)** | **-** | **(23,301)** |
| **(e) Other Receivable** | | | | | |
| Infomedia Press limited | - | - | - | - | 549 |
| (includes provisions) | - | - | - | - | (551) |
| | | | | | |
| Television Eighteen Mauritius Limited | - | - | - | - | 500 |
| (includes provisions) | - | - | - | - | (500) |
| | | | | | |
| **TOTAL** | **-** | **-** | **-** | **-** | **1,049** |
| | **-** | **-** | **-** | **-** | **(1,051)** |

*figures in brackets represents figures for previous year 2016-17*

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 33 Contigent Liabilities and Commitments

₹ in lakh

| | | | 2017-18 | 2016-17 |
|---|---|---|---|---|
| **(a)** | **Contingent Liabilities** | | | |
| | **Claim against the Company/ disputed liabilities not acknowledged as debt** | | | |
| | i | Contingent payments under agreements for sale of subsidiaries | 170 | 170 |
| | ii | The Company has received demand orders from the Collector of Stamps, Delhi relating to scheme of amalgamation of the Company and TV18 Broadcast Limited. The Company has filed writ petition against such order before the Delhi High Court which has granted stay on such demand order. | 3,077 | 3,377 |
| | iii | The Company has received demand order from the Collector and Additional Superintendent of Stamps Gujarat State to pay a stamp duty of ₹ 87 lakh on transfer of a immovable property from Infomedia18 Limited to the Company, under the Scheme of Arrangement entered between the parties. The Company has filed a reference petition before the Gujarat High Court. | 87 | 87 |
| | iii | Victor Fernandes and others ('plaintiffs') had filed a derivative action suit before the Bombay High Court against Raghav Bahl, TV18 and other TV18 group entities alleging that all business opportunities undertaken by the Network18 Group should be routed through e-Eighteen.com Limited. The plaintiffs have valued their claim in the suit at ₹ 3,11,406 lakh. The suit is currently pending. | 3,11,406 | 3,11,406 |
| | iv | The Company has received legal notices of claims/ lawsuits filed against it relating to objectionable contents and defamation suits in relation to the programmes produced by it. | 12,900 | 12,900 |
| **(b)** | **Commitments** | | | |
| | Estimated amount of contracts remaining to be executed on capital account and not provided for | | 19 | 45 |

## Note 34 Details of loans given, investments made and guarantee given covered u/s 186 (4) of The Companies Act, 2013:

(a) Loans given by the Company to body corporate as at 31st March, 2018 (Refer Note 3 and 11)

(b) Investment made by the Company as at 31st March, 2018 (Refer Note 2)

(c) No Guarantees has been given by the Company as at 31st March, 2018

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 35 | Obligation on long term, non cancellable operating lease:

The Company has taken various residential/ commercial premises under cancellable/ non-cancellable operating leases. There are no sub leases or restrictions imposed by lease arrangements. The cancellable lease agreements are normally renewed on expiry. Operating lease charges amounting to ₹ 754 lakh (Previous year ₹ 795 lakh) have been debited to the Statement of Profit and Loss during the year. The details of future minimum lease payments under non-cancellable leases are as under:

₹ in lakh

| Particulars | 31st March, 2018 | 31st March, 2017 |
|---|---|---|
| Not later than one year | 193 | 57 |
| Later than one year but not later than five years | 740 | 51 |
| Payable later than five years | - | - |
| **Total** | **933** | **108** |

The operating leases mainly relates to office premises with lease terms of between 2 to 10 years. Most of the operating lease contract contains market review clauses for rate escalation.

## Note 36 | Foreign exchange exposure/ currency risk

The Company does not use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and forecasted transactions.
The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at year end is as follows:

₹ in lakh

| Particulars | 31st March, 2018 | 31st March, 2017 |
|---|---|---|
| **Trade payables** | | |
| USD | 1,71,531 | 76,791 |
| ₹ in lakh | 112 | 50 |
| EURO | - | 876 |
| ₹ in lakh | - | 1 |
| **Trade receivables** | | |
| USD | 3,72,344 | 3,52,237 |
| ₹ in lakh | 243 | 228 |
| GBP | 4,215 | 1,764 |
| ₹ in lakh | 4 | 1 |
| EURO | - | 5,500 |
| ₹ in lakh | - | 4 |

**36.1 Sensitivity analysis of 2% change in exchange rate at the end of the reporting period.**

2% appreciation/ depreciation of the respective foreign currencies with respect to the functional currency of the Company would result increase/ decrease in the Company's profit before tax by approximately ₹ 3 lakh for the year ended 31st March 2018 and ₹ 4 lakh for the year ended 31st March 2017 respectively.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 37 | Capital and Financial Risk Management

### 37.1 Capital Management

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

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

**Gearing ratio**

The gearing ratio at end of the reporting period was as follows.

₹ in lakh

| Particulars | 31st March, 2018 | 31st March, 2017 |
|---|---|---|
| Gross Debt | 1,26,473 | 1,14,856 |
| Less: Cash and cash equivalent | 2 | 3 |
| Net debts (A) | 1,26,471 | 1,14,853 |
| Equity (B) | 2,47,625 | 2,53,946 |
| Net Gearing (A)/(B) | 0.51 | 0.45 |

### 37.2 Financial Risk Management

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

(a) Credit risk

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

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

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

(b) Liquidity Risk

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 38 Fair value measurement hierarchy:

₹ in lakh

| Particulars | As at 31st March, 2018 | | | | As at 31st March, 2017 | | | |
|---|---|---|---|---|---|---|---|---|
| | Carrying Amount | Level of input used in | | | Carrying Amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | | | | | |
| **At Amortised Cost** | | | | | | | | |
| Investments* | 300 | - | - | - | 300 | - | - | - |
| Trade Receivables | 4,581 | - | - | - | 4,008 | - | - | - |
| Cash and Bank Balances | 228 | - | - | - | 262 | - | - | - |
| Loans | 3,589 | - | - | - | 2,318 | - | - | - |
| Other Financial Assets | 1,335 | - | - | - | 1,336 | - | - | - |
| **AT FVTPL** | | - | - | - | | | | |
| Loans | 17,141 | - | 17,141 | - | 16,034 | - | 16,034 | - |
| **AT FVTOCI** | | | | | | | | |
| Investments | 706 | 706 | - | - | 577 | 577 | - | - |
| **Financial Liabilities** | | | | | | | | |
| **At Amortised Cost** | | | | | | | | |
| Borrowings | 1,26,473 | - | - | - | 1,14,856 | - | - | - |
| Trade Payables | 2,709 | - | - | - | 3,606 | - | - | - |
| Other Financial Liabilities | 559 | - | - | - | 1,118 | - | - | - |

*Excludes financial assets measured at cost (Refer Note 2.1)

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

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

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

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

## Note 39

The Scheme for Merger by Absorption (the 'Scheme') for merger of Digital18 Media Limited, Capital18 Fincap Private Limited, RVT Finhold Private Limited, RRK Finhold Private Limited, RRB Investments Private Limited, Setpro18 Distribution Limited, Reed Infomedia India Private Limited, Web18 Software Services Limited, Television Eighteen Media and Investments Limited, Television Eighteen Mauritius Limited, Web18 Holdings Limited, E18 Limited and Network18 Holdings Limited in to the Company with appointed date as 1st April, 2016, has been filed with National Company Law Tribunal, Mumbai Bench, for approval. The Company has decided to continue Colosseum Media Private Limited, a wholly owned subsidiary of the Company, as a seperate entity and has filed the Scheme accordingly. Upon receipt of approval, the Scheme shall be given effect to in the financial statements of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 40 The Company has transferred Burrp undertaking as a going concern on slump sale basis with effect from 1st July, 2017 by way of a Business Transfer Agreement with Foodfesta Wellcare Private Limited (a subsidiary of Big Tree Entertainment Private Limited ("Big Tree"). Big Tree is an associate of the Company.

Note 41 TV18 Home Shopping Network Limited (Homeshop18) acquired Shop CJ Network Private Limited. Homeshop18 ceased to be subsidiary of the Company and became an associate w.e.f 15th February, 2018.

Note 42 Segment Reporting:

The Company is engaged in only one segment i.e. ""Media Operations"" and hence there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Since the Company's operations are primarily in India, it has determined single geographical segment.

One customer represents more than 10% of Company's total revenue during the current year as well as previous year.

Note 43 Previous year's figures have been re-grouped wherever necessary to make them comparable to current year's figures.

Note 44 The financial statements were approved for issue by the Board of Directors on 24th April 2018.

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

**Adil Zainulbhai**
Chairman
DIN: 06646490

**Dhruv Subodh Kaji**
Director
DIN:00192559

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

**Jyoti Deshpande**
Director
DIN: 02303283

**Nirupama Rao**
Director
DIN: 06954879

**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

Place: Mumbai
Date: 24th April, 2018

# INDEPENDENT AUDITOR'S REPORT

**To The Members of Network18 Media & Investments Limited**

## Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Network18 Media & Investments Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/ loss in its associates and its joint ventures, comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

## Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates and Joint ventures 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. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

## Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated 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 the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate / consolidated Ind AS financial statements/ financial information of the subsidiaries, associates and joint ventures referred to below in the Other Matters paragraph, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2018, and their consolidated loss, consolidated total comprehensive loss, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

## Other Matters

(a) We did not audit the financial statements / financial information of twenty six subsidiaries, whose financial statements/ financial information, before giving effect to the consolidation adjustments, reflect total assets of Rs. 707,168 lakh as at March 31, 2018, total revenues of Rs. 121,711 lakh and net cash inflows amounting to Rs. 1,766 lakh for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 3,521 lakh and total net comprehensive loss after tax of Rs. 3,555 lakh for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of two joint ventures, five subsidiaries of two joint ventures upto February 28, 2018, five associates (including two associates with effect from February 15, 2018) and nine subsidiaries of an associate whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

(b) The Consolidated Ind AS Financial Statements of the Group for the year ended March 31, 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 19, 2017.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate / consolidated financial statements and the other financial information of subsidiaries, associates and joint ventures , referred in the Other Matters paragraph above, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated 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 Parent as on March 31, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and jointly venture companies incorporated in India. Our

report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures - Refer Note 34 to the consolidated Ind AS financial statements.

ii. The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

**Abhijit A. Damle**
Partner
(Membership No. 102912)

Mumbai, April 24, 2018

# ANNEXURE "A"

**TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NETWORK 18 MEDIA & INVESTMENTS LIMITED**

(Referred to in paragraph (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 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Network18 Media & Investments Limited (hereinafter referred to as Parent) and its subsidiary companies, which includes, as applicable, internal financial controls over financial reporting of its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, as of that date.

## Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint venture companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal 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 obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint venture companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, its associate companies and its joint venture companies, which are companies incorporated in India.

## 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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, have, 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 criteria for internal financial control over financial reporting established by the respective companies 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.

## Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to fourteen subsidiary companies, three associate companies, three Subsidiary of an associate and a joint venture company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

**Abhijit A. Damle**
Partner
(Membership No. 102912)

Mumbai, April 24, 2018

# CONSOLIDATED BALANCE SHEET

as at 31st March, 2018

₹ in lakh

| Particulars | Notes | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 1 | 30,546 | 24,225 |
| Capital work-in-progress | 1 | 2,180 | 92 |
| Goodwill | | 2,51,934 | 1,46,861 |
| Intangible assets | 1 | 8,191 | 5,507 |
| Intangible assets under development | 1 | 369 | 363 |
| Financial assets | | | |
| Investments | 2 | 61,000 | 2,13,509 |
| Loans | 3 | 19,275 | 17,717 |
| Other financial assets | 4 | 3,763 | 2,183 |
| Deferred tax assets (net) | 5 | 3,215 | 5,235 |
| Other non-current assets | 6 | 51,615 | 28,311 |
| **Total Non-current Assets** | | **4,32,088** | **4,44,003** |
| **Current assets** | | | |
| Inventories | 7 | 1,34,366 | 244 |
| Financial assets | | | |
| Investments | 8 | 5,921 | 4,725 |
| Trade receivables | 9 | 1,28,524 | 31,731 |
| Cash and cash equivalents | 10 | 18,853 | 2,498 |
| Bank balances other than cash and cash equivalents | 11 | 607 | 473 |
| Loans | 12 | - | 5,807 |
| Other financial assets | 13 | 7,146 | 1,714 |
| Other current assets | 14 | 23,403 | 13,446 |
| **Total Current Assets** | | **3,18,820** | **60,638** |
| **Total Assets** | | **7,50,908** | **5,04,641** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 15 | 51,768 | 51,768 |
| Other equity | 16 | 61,552 | 76,500 |
| **Equity attributable to owners of the Company** | | **1,13,320** | **1,28,268** |
| Non-controlling interests | | 2,28,822 | 1,62,744 |
| **Total Equity** | | **3,42,142** | **2,91,012** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 17 | 540 | 8 |
| Provisions | 18 | 6,115 | 4,100 |
| **Total Non-current Liabilities** | | **6,655** | **4,108** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 19 | 2,19,514 | 1,30,694 |
| Trade payables | 20 | 1,52,829 | 35,104 |
| Other financial liabilities | 21 | 3,811 | 6,262 |
| Other current liabilities | 22 | 25,188 | 15,362 |
| Provisions | 23 | 769 | 22,099 |
| **Total Current Liabilities** | | **4,02,111** | **2,09,521** |
| **Total Liabilities** | | **4,08,766** | **2,13,629** |
| **Total Equity and Liabilities** | | **7,50,908** | **5,04,641** |

Significant Accounting Policies and accompanying notes (1 to 44) are part of the financial statements

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

**Adil Zainulbhai**
Chairman
DIN: 06646490

**Dhruv Subodh Kaji**
Director
DIN:00192559

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

**Jyoti Deshpande**
Director
DIN: 02303283

**Nirupama Rao**
Director
DIN: 06954879

**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2018

₹ in lakh

| Particulars | Notes | 2017-18 | 2016-17 |
|---|---|---|---|
| **INCOME** | | | |
| Value of sales and services | | 2,06,825 | 1,49,104 |
| Goods and Services Tax included in above | | 22,925 | - |
| Revenue from operations | 24 | 1,83,900 | 1,49,104 |
| Other Income | 25 | 11,248 | 5,473 |
| **Total Income** | | **1,95,148** | **1,54,577** |
| **EXPENSES** | | | |
| Cost of materials consumed and traded goods sold | 26 | 570 | 260 |
| Marketing, distribution and promotional expense | | 41,787 | 51,624 |
| Employee benefits expense | 27 | 57,024 | 49,267 |
| Finance costs | 28 | 9,624 | 8,017 |
| Depreciation and amortisation expense | 1 | 8,874 | 7,990 |
| Other expenses | 29 | 88,778 | 61,749 |
| **Total Expenses** | | **2,06,657** | **1,78,907** |
| **Profit /(loss) before non-controlling interests/share of profit/ (loss) of joint ventures and associates, exceptional items and tax** | | **(11,509)** | **(24,330)** |
| Share in Profit/ (loss) of Joint Ventures and Associates | | 254 | (1,786) |
| **Profit /(loss) before exceptional items and tax** | | **(11,255)** | **(26,116)** |
| Exceptional items | | - | - |
| **Profit /(loss) before Tax** | | **(11,255)** | **(26,116)** |
| **Tax expense** | | | |
| Current Tax | | 6,108 | 3,033 |
| Deferred Tax | | (38) | 198 |
| Short/(excess) provision for tax relating to earlier years | | 123 | (2,268) |
| **Total tax expense** | 37 | **6,193** | **963** |
| **Profit/ (loss) for the year** | | **(17,448)** | **(27,079)** |
| **Other Comprehensive Income:** | | | |
| i) Items that will not be reclassified to profit or loss | | 499 | 1,590 |
| ii) Income tax relating to items that will not be reclassified to profit or loss | | (8) | (50) |
| iii) Items that will be reclassified to profit or loss | | 244 | (544) |
| **Total Other Comprehensive Income (net of tax)** | | **735** | **996** |
| **Total Comprehensive Income for the year** | | **(16,713)** | **(26,083)** |
| **Profit /(loss) for the year attributable to:** | | | |
| a) Owners of the Company | | (15,455) | (23,344) |
| b) Non Controlling interest | | (1,993) | (3,735) |
| **Other comprehensive income attributable to:** | | | |
| a) Owners of the Company | | 507 | 1,439 |
| b) Non Controlling interest | | 228 | (443) |
| **Total comprehensive income attributable to:** | | | |
| a) Owners of the Company | | (14,948) | (21,905) |
| b) Non Controlling interest | | (1,765) | (4,178) |
| **Earnings per equity share of face value of ₹ 5 each** | | | |
| Basic and diluted (in ₹) | 30 | **(1.49)** | **(2.25)** |

Significant Accounting Policies and accompanying notes (1 to 44) are part of the financial statements

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

**Adil Zainulbhai**
Chairman
DIN: 06646490

**Dhruv Subodh Kaji**
Director
DIN:00192559

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

**Jyoti Deshpande**
Director
DIN: 02303283

**Nirupama Rao**
Director
DIN: 06954879

**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2018

## A. Equity Share Capital

₹ in lakh

| Balance as at begining 1st April, 2016 | Changes in equity share capital during the year 2016-17 | Balance as at 31st March, 2017 | Changes in equity share capital during the year 2017-18 | Balance as at 31st March, 2018 |
|---|---|---|---|---|
| 51,768 | - | 51,768 | - | 51,768 |

## B. Other Equity

₹ in lakh

| Particulars | Reserves and Surplus | | | | | Other Comprehensive income | | Attributable to Owners of the Parent | Non-controlling interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | Securities premium Reserve | General reserve | Capital reserves | Capital reserve on consolidation of subsidiaries | Retained Earnings* | Equity instruments | Foreign currency translation Reserves | | | |
| **Balance as at begining 1st April, 2016** | **3,11,017** | **2,951** | **1,951** | **11,308** | **(1,97,539)** | **789** | **5,404** | **1,35,881** | **1,96,193** | **3,32,074** |
| Total Comprehensive Income for the year (net of taxes) | - | - | - | - | (23,496) | 1,861 | (270) | (21,905) | (4,178) | (26,083) |
| Amount transferred from general reserve | - | (19) | - | - | - | - | - | (19) | - | (19) |
| Effect of Prism TV Private Limited merger with Viacom18 Media Private Limited (refer Note 41) | - | - | - | - | (37,457) | - | - | (37,457) | (35,759) | (73,216) |
| Non controlling interest on preference share of Subsidiary company | - | - | - | - | - | - | - | - | (922) | (922) |
| Investments by Non-Controlling interest in subsidiary | - | - | - | - | - | - | - | - | 7,410 | 7,410 |
| **Balance as at end of 31st March, 2017** | **3,11,017** | **2,932** | **1,951** | **11,308** | **(2,58,492)** | **2,650** | **5,134** | **76,500** | **1,62,744** | **2,39,244** |

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2018

₹ in lakh

| Particulars | Reserves and Surplus | | | | | Other Comprehensive income | | Attributable to Owners of the Parent | Non-controlling interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | Securities premium Reserve | General reserve | Capital reserves | Capital reserve on consolidation of subsidiaries | Retained Earnings* | Equity instruments | Foreign currency translation Reserves | | | |
| **Balance as at begining 1st April, 2017** | **3,11,017** | **2,932** | **1,951** | **11,308** | **(2,58,492)** | **2,650** | **5,134** | **76,500** | **1,62,744** | **2,39,244** |
| Total Comprehensive Income for the year (net of taxes) | - | - | - | - | (15,441) | 408 | 85 | (14,948) | (1,765) | (16,713) |
| Additions on account of Joint venture became subsidiary | - | - | - | - | - | - | - | - | 61,617 | 61,617 |
| Additions on account of subsidiary became Associate | - | - | - | - | - | - | - | - | 3,776 | 3,776 |
| Investments by Non-Controlling interest in subsidiary | - | - | - | - | - | - | - | - | **2,450** | **2,450** |
| **Balance as at end of 31st March, 2018** | **3,11,017** | **2,932** | **1,951** | **11,308** | **(2,73,933)** | **3,058** | **5,219** | **61,552** | **2,28,822** | **2,90,374** |

* includes remeasurement of defined benefit plan for the year amounting to ₹ 14 lakh and previous year ₹ (152) lakh.

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

**Adil Zainulbhai**
Chairman
DIN: 06646490

**Dhruv Subodh Kaji**
Director
DIN:00192559

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

**Jyoti Deshpande**
Director
DIN: 02303283

**Nirupama Rao**
Director
DIN: 06954879

**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2018

₹ in lakh

| Particulars | | 2017-18 | 2016-17 |
|---|---|---|---|
| A: | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | **Profit/ (loss) before tax as per Statement of Profit and Loss** | (11,255) | (26,116) |
| | **Adjusted for:** | | |
| | Depreciation and amortisation expense | 8,874 | 7,990 |
| | Profit/ (loss) on sale/ discarding of assets (net) | 460 | (6) |
| | Expense on employee stock option (ESOP) scheme | - | (18) |
| | Finance costs | 9,624 | 8,017 |
| | Bad debts and allowance for doubtful trade receivables | 214 | 754 |
| | Effect of Exchange rate change | 86 | 109 |
| | Dividend Income | - | (2) |
| | Interest Income on financial assets at amortised cost | (30) | (59) |
| | (Profit)/ loss on sale of investments (net) | (119) | (58) |
| | Excess provisions written back | (465) | (1,351) |
| | Interest income | (907) | (1,916) |
| | Share in Profit/ (loss) of Joint Ventures and Associates | (254) | 1,786 |
| | Net gain arising on financial assets designated at fair value through profit and loss | (9,061) | (1,960) |
| | **Operating Profit/ (loss) before Working Capital Changes** | **(2,833)** | **(12,830)** |
| | Adjusted for: | | |
| | Trade and Other Receivables | 43,120 | 6,955 |
| | Inventories | 4,928 | 783 |
| | Trade and Other Payables | (29,527) | (10,043) |
| | **Cash generated from/ (used in) Operations** | **15,688** | **(15,135)** |
| | Taxes paid (net) | (7,937) | (2,634) |
| | **Net cash generated from/ (used in) operating activities** | **7,751** | **(17,769)** |
| B: | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Payment for Property, Plant and Equipment | (6,279) | (16,139) |
| | Proceeds from disposal of Property, Plant and Equipment | 120 | 238 |
| | Sale of current investments | 24,835 | 34,624 |
| | Purchase of current Investments | (25,808) | (38,659) |
| | Purchase of non current investments | (17,012) | (19,010) |
| | Proceeds from long term loans | 7,866 | - |
| | Decrease/ (increase) in other bank balances | (103) | 701 |
| | Interest received | 895 | 2,033 |
| | Dividend received | - | 2 |
| | **Net cash used in investing activities** | **(15,486)** | **(36,210)** |
| C: | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Finance costs | (9,753) | (8,070) |
| | Proceeds from issue of shares by subsidiary | 3,233 | 7,410 |
| | Repayment of long term borrowings | (38) | (1,360) |
| | Proceeds from long term borrowings | - | 754 |
| | Proceeds from current borrowings (net) | 20,851 | 53,096 |
| | **Net cash generated from financing activities** | **14,293** | **51,830** |
| | **Net increase/ (decrease) in cash and cash equivalents** | **6,558** | **(2,149)** |
| | **Opening balance of Cash and cash equivalents** | **2,498** | **4,671** |
| | Exchange differences on cash and cash equivalents | 3 | (24) |
| | Cash and cash equivalents of subsidiaries acquired/de-subsidiarised during the year | 9,794 | - |
| | **Closing balance of Cash and cash equivalents (Refer Note 10)** | **18,853** | **2,498** |

Significant Accounting Policies and accompanying notes (1 to 44) are part of the financial statements

As per our Report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

**Abhijit A. Damle**
Partner

Place: Mumbai
Date: 24th April, 2018

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

**Adil Zainulbhai**
Chairman
DIN: 06646490

**Dhruv Subodh Kaji**
Director
DIN:00192559

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

**Jyoti Deshpande**
Director
DIN: 02303283

**Nirupama Rao**
Director
DIN: 06954879

**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## A CORPORATE INFORMATION

Network18 Media & Investments Limited ("the Company") is a listed company incorporated in India. The registered office of the Company is situated at First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, Maharashtra.

These consolidated financial statements relate to the financial statements of Network18 Media & Investments Limited ("the Company" or "Network18" or "the parent"), its subsidiaries (hereinafter collectively referred to as the "Group"), joint ventures and associates as listed below:

| S. No. | Name of consolidated entity | Place of incorporation and operation | Percentage of holding |
|---|---|---|---|
| **Direct subsidiaries** | | | |
| 1 | Network18 Holdings Limited | Mauritius | 100 |
| 2 | Capital18 Fincap Private Limited | India | 100 |
| 3 | Television Eighteen Mauritius Limited (TEML) | Mauritius | 100 |
| 4 | Television Eighteen Media and Investments Limited (TEMIL) | Mauritius | 100 |
| 5 | Digital18 Media Limited | India | 100 |
| 6 | TV18 Broadcast Limited | India | 51.16 |
| 7 | Infomedia Press Limited | India | 50.69 |
| 8 | Network18 Media Trust | India | 100 |
| **Subsidiaries of subsidiary companies** | | | |
| **Subsidiaries of TV18 Broadcast Limited** | | | |
| 9 | RVT Media Private Limited | India | 100 |
| 10 | ibn18 (Mauritius) Limited | Mauritius | 100 |
| 11 | Equator Trading Enterprises Private Limited (Equator) | India | 100 |
| 12 | Viacom18 Media Private Limited @ | India | 51 |
| 13 | IndiaCast Media Distribution Private Limited @ | India | 75.5 |
| **Subsidiaries of Viacom18 Media Private Limited** | | | |
| 14 | Viacom18 Media (UK) Limited @ | UK | 100 |
| 15 | Viacom18 US Inc @ | US | 100 |
| 16 | Roptonal Limited @ | Cyprus | 100 |
| **Subsidiaries of IndiaCast Media Distribution Private Limited** | | | |
| 17 | IndiaCast UK Limited @ | UK | 100 |
| 18 | IndiaCast US Limited @ | US | 100 |
| **Subsidiary of RVT Media Private Limited** | | | |
| 19 | AETN18 Media Private Limited | India | 51 |
| **Subsidiaries of Equator Trading Enterprises Private Limited** | | | |
| 20 | Panorama Television Private Limited | India | 100 |
| **Subsidiary of Television Eighteen Media & Investments Limited, Mauritius** | | | |
| 21 | Web18 Holdings Limited # | Mauritius | 100 |
| **Subsidiary of Web18 Holdings Limited, Mauritius** | | | |
| 22 | E-18 Limited | Mauritius | 100 |
| **Subsidiaries of E-18 Limited, Mauritius** | | | |
| 23 | e-Eighteen.com Limited | India | 91.95 |
| 24 | Web18 Software Services Limited | India | 100 |
| **Subsidiary of e-Eighteen.com Limited** | | | |
| 25 | Moneycontrol Dot Com India Limited | India | 100 |
| **Subsidiaries of Network18 Holdings Limited, Mauritius** | | | |
| 26 | NW18 HSN Holdings Plc (upto 14th February, 2018) ## | Cyprus | 50.67 |
| **Subsidiaries of NW18 HSN Holdings Plc, Cyprus** | | | |
| 27 | TV18 Home Shopping Network Limited (upto 14th February, 2018)*** | India | 100 |
| **Subsidiaries of Capital18 Fincap Private Limited** | | | |
| 28 | RRK Finhold Private Limited | India | 100 |
| 29 | RVT Finhold Private Limited | India | 100 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

| S. No. | Name of consolidated entity | Place of incorporation and operation | Percentage of holding |
|---|---|---|---|
| 30 | RRB Investments Private Limited | India | 100 |
| 31 | Setpro18 Distribution Limited | India | 100 |
| 32 | Reed Infomedia India Private Limited | India | 100 |
| 33 | Colosseum Media Private Limited | India | 100 |
| **Subsidiaries of RVT Finhold Private Limited** | | | |
| 34 | Greycells18 Media Limited ### | India | 74.22 |
| **Joint ventures of TV18 Broadcast Limited** | | | |
| 35 | IBN Lokmat News Private Limited | India | 50 |
| 36 | Viacom18 Media Private Limited @ | India | 50 |
| 37 | Viacom18 Media (UK) Limited @ | UK | 100 |
| 38 | Viacom18 US Inc @ | US | 100 |
| 39 | Roptonal Limited @ | Cyprus | 100 |
| 40 | IndiaCast Media Distribution Private Limited @ | India | 50 |
| 41 | IndiaCast UK Limited @ | UK | 100 |
| 42 | IndiaCast US Limited @ | US | 100 |
| **Joint Venture of Capital18 Fincap Private Limited** | | | |
| 43 | Ubona Technologies Private Limited | India | 50 |
| **Associate of Capital18 Fincap Private Limited** | | | |
| 44 | Aeon Learning Private Limited | India | 20.47 |
| **Associate of RVT Finhold Private Limited** | | | |
| 45 | 24 X 7 Learning Private Limited | India | 37.23 |
| **Associate of Equator Trading Enterprises Private Limited** | | | |
| 46 | Eenadu Television Private Limited | India | 24.5 |
| **Associate of E18 Limited** | | | |
| 47 | Big Tree Entertainment Private Limited* | India | 39.07 |
| **Subsidiaries of Associate Big Tree Entertainment Private Limited** | | | |
| 48 | Fantain Sports Private Limited | India | 59.64 |
| 49 | Spacebound Web labs Private Limited | India | 100 |
| 50 | Big Tree Entertainment Singapore PTE Limited | Singapore | 100 |
| 51 | PT Big Tree Entertainment Indonesia | Indonesia | 100 |
| 52 | Dyulok Technologies Private Limited (w.e.f. 31st March 2017) | India | 70.74 |
| 53 | Townscript USA, Inc. (w.e.f. 31st March 2018) | USA | 70.74 |
| 54 | Foodfesta Wellcare Private Limited (w.e.f. 4th August 2017) | India | 100 |
| 55 | Big Tree Entertainment Lanka (Pvt) Limited (w.e.f. 26th May 2017) | Sri Lanka | 100 |
| 56 | Big Tree Entertainment DMCC (w.e.f. 1st March 2018) | UAE | 100 |
| **Associate of Network18 Holdings Limited, Mauritius** | | | |
| 57 | NW18 HSN Holdings Plc (w.e.f. 15th February, 2018) | Cyprus | 41.2 |
| **Associate of the Company** | | | |
| 58 | TV18 Home Shopping Network Limited (w.e.f. 15th February, 2018) ** | India | 43.64 |
| **Subsidiaries of Associate TV18 Home Shopping Network Limited** | | | |
| 59 | Shop CJ Network Private Limited (w.e.f. 15th February, 2018) | India | 100 |

# The Company holds 95.78% of the shareholding through TEMIL and 4.22% of the shareholding through TEML.

## Percentage determined as per shareholders agreement between SAIF II Mauritius Company Limited, G S Home Shopping Inc., Makira SP5 Limited, Orchard Centar Master Limited and Network18 Holdings Limited.

*** The Company holds 86.42% of the shareholding through NW18 HSN Holding PLC and 13.58% directly.

### The Company holds 72.71% of the shareholding through RVT Finhold Private Limited and 1.51% through Capital18 Fincap Private Limited.

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

* The Company holds 18.93% of the shareholding directly and 20.14% of the shareholding through E-18 Limited, Mauritius.

** The Company holds 21.97% of the shareholding through NW18 HSN Holding PLC and 21.67% directly.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## B Significant Accounting Policies

### B.1 Basis of Preparation and Presentation

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

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

These financial statements are the Group's Ind AS Consolidated financial statements.

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

### B.2 Principles of Consolidation

The consolidated financial statements relate to the Company and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis.

a The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

b Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

c In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

d Offset (eliminate) the carrying amount of the parent's investments in each subisidiary and the parent's portion of equity of each subisidiary.

e The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subisidiary.

f Non Controlling Interest's share of profit/ loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

g Non Controlling Interest's share of net assets of consolidated subisidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

h Investment in Associates and Joint Ventures has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.

i The Company accounts for its share of post acquisition changes in net assets of associates and joint ventures, after eliminating unrealised profits and losses resulting from transactions between the companies within the Group and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

### B.3 Summary of Significant Accounting Policies

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

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

and any cost directly attributable to bringing the assets to its working condition for its intended use.

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

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

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

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

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

**(b) Leases:**

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

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

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

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

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

**(c) Goodwill and Intangible assets:**

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairments losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

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

Computer Software, Electronic Programming Guide Slot, Brand/ Trademarks, Website costs and License pertaining to satellite rights are being amortised over its estimated useful life of 3 to 5 years. News Archieves is being depreciated over a period of 21 years as the contents of the same are continuously used in day to day programming and hence the economic benefits from the same arise for a period longer than 20 years. Film telecast rights are amortised over a period of 10 years.

Programming costs are being amortised over 2 years for all programs purchased from A&E Television Networks, LLC, over the license period for programs purchased from others and over 5 years for all programs produced in-house. Website development costs are capitalised and amortised over their estimated useful life of 2 years.

Intangible assets under development: Expenditure on programming costs eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

**(d) Borrowing Cost**

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

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

**(e) Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs net of recoverable taxes incurred in bringing them to their respective present location and condition.

The Group evaluates the realizable value and / 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 Group 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.

Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

**(f) Impairment of non-financial assets - property, plant and equipment and intangible assets**

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

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

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

**(g) Provisions and Contigencies**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

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

## (h) Employee Benefits

**(i) Short Term Employee Benefits**

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

**(ii) Long Term Employee Benefits**

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

**(iii) Post-employment Benefits**

**Defined contribution plans**

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

**Defined benefit plans**

The Group pays gratuity to the employees whoever has completed 5 years of service with the Group at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for the every completed year of service as per the Payment of Gratuity Act.

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

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

## (i) Tax Expenses

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

**i Current tax**

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

**ii Deferred tax**

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

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

The carrying amount of Deferred income tax assets is reviewed at each reporting date and

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

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

**(j) Share based payments**

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

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

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

**(k) Foreign Currencies Transactions and Translation**

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

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

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

**(l) Revenue Recognition**

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

Sale of services is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed. Revenues from theatrical distribution of movies is recognised in accordance with the licensing agreement as the films are screened.

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

Commission on sale of product and reimbursement of freight and collection expenses is recognized at the

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

time of delivery of products by the courier companies to customer in accordance with contracted terms with the vendors.

**Interest Income**

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

**Dividend income**

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

**(m) Financial Instruments**

**(i) Financial Assets**

**A. Initial recognition and measurement:**

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

**B. Subsequent measurement:**

**a) Financial assets carried at amortised cost (AC)**

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

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

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

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

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

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

**C. Other Equity Investments:**

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

**D. Investment in joint ventures and associates**

The Group accounts for its investments in joint ventures and associates at equity method.

**E. Impairment of financial assets**

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

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

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

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables the Group applies a 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivable.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

The Group uses historical default rates to determine impairment loss on the portfolio of the trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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

**(ii) Financial liabilities**

**a. Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**b. Subsequent measurement:**

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

**(iii) Derecognition of financial instruments**

The Group 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 Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(iv) Offsetting**

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

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

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

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

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

**b) Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and detemining 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 mitigae the risk of non-payment.

**c) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

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

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units ("CGU's") fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**e) Impairment of financial assets:**

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

**f) Defined benefit plans:**

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

## D STANDARDS ISSUED BUT NOT EFFECTIVE:

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

## Note 1 Property, Plant and Equipment, Capital work-in-Progress, Intangible Assets and Intangible Assets under development

₹ in lakh

| Description | Gross Block | | | | | Depreciation / Amortisation | | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1st April, 2017 | Additions/ Deductions on account of subsidiaries | Additions | Deductions / Adjustments | As at 31st March 2018 | As at 1st April, 2017 | Additions/ Deductions on account of subsidiaries | For the Year | Deductions / Adjustments | As at 31st March 2018 | As at 31st March 2018 | As at 31st March, 2017 |
| **1.1 Tangible Assets :** | | | | | | | | | | | | |
| Buildings | 957 | - | 9 | - | 966 | 356 | - | 16 | - | 372 | 594 | 601 |
| Freehold Land | 37 | - | - | - | 37 | - | - | - | - | - | 37 | 37 |
| Leasehold Land | 19 | - | - | - | 19 | 10 | - | 1 | - | 11 | 8 | 9 |
| Leasehold improvements | 8,895 | 3,350 | 152 | (22) | 12,375 | 6,637 | 2,203 | 563 | (22) | 9,381 | 2,994 | 2,258 |
| Plant and equipments | 37,690 | 15,489 | 2,004 | (2,406) | 52,777 | 24,479 | 8,496 | 2,474 | (2,389) | 33,060 | 19,717 | 13,211 |
| Information technology related equipments | 17,230 | (1,701) | 981 | (979) | 15,531 | 9,954 | (1,242) | 2,403 | (941) | 10,174 | 5,357 | 7,276 |
| Furniture and Fixtures | 1,729 | 668 | 75 | (22) | 2,450 | 1,085 | 323 | 108 | (21) | 1,495 | 955 | 644 |
| Vehicles | 678 | 1,092 | 14 | (181) | 1,603 | 489 | 307 | 72 | (149) | 719 | 884 | 189 |
| **Total (A)** | **67,235** | **18,898** | **3,235** | **(3,610)** | **85,758** | **43,010** | **10,087** | **5,637** | **(3,522)** | **55,212** | **30,546** | **24,225** |
| **Previous Year** | **62,173** | | **13,566** | **(8,504)** | **67,235** | **45,937** | | **5,345** | **(8,272)** | **43,010** | **24,225** | **16,236** |
| **1.2 Intangible Assets :** | | | | | | | | | | | | |
| News archives | 205 | - | - | - | 205 | 205 | - | - | - | 205 | - | - |
| Computer Software | 8,289 | 6,523 | 567 | (11) | 15,368 | 6,290 | 3,580 | 1,021 | (3) | 10,888 | 4,480 | 1,999 |
| Programming cost | 6,942 | (251) | 2,851 | (2,071) | 7,471 | 3,545 | (244) | 2,143 | (1,579) | 3,865 | 3,606 | 3,397 |
| Brands/trademarks | 16 | (12) | - | - | 4 | 14 | (12) | 1 | - | 3 | 1 | 2 |
| Film telecast rights and Web site cost | 1,376 | - | 2 | 8 | 1,386 | 1,337 | - | 32 | 4 | 1,373 | 13 | 39 |
| Licenses | 149 | - | 61 | - | 210 | 79 | - | 40 | - | 119 | 91 | 70 |
| Electronic Programming Guide | | 154 | - | - | 154 | | 154 | - | - | 154 | - | - |
| **Total (B)** | **16,977** | **6,414** | **3,481** | **(2,074)** | **24,798** | **11,470** | **3,478** | **3,237** | **(1,578)** | **16,607** | **8,191** | **5,507** |
| **Previous Year** | **14,571** | | **3,963** | **(1,558)** | **16,977** | **10,382** | | **2,645** | **(1,558)** | **11,470** | **5,507** | **4,189** |
| **Total (A + B)** | **84,212** | **#25,312** | **6,716** | **(5,684)** | **1,10,556** | **54,480** | **@13,565** | **8,874** | **(5,100)** | **71,819** | **38,737** | **29,732** |
| **Previous Year** | **76,744** | | **17,529** | **(10,062)** | **84,212** | **56,319** | | **7,990** | **(9,830)** | **54,480** | **29,732** | **20,425** |
| **1.3 Capital Work-in-Progress** | | | | | | | | | | | 2,180 | 92 |
| **1.4 Intangible Assets under Development** | | | | | | | | | | | 369 | 363 |

# comprises of addition of ₹ 34,976 lakh on account of acquisition of Viacom18 Media Private Limited and IndiaCast Media Distribution Private Limited and deduction of ₹ 9,664 lakh on account of TV18 Home Shopping Network Limited, a subsidiary, becoming an asociate.

@ comprises of addition of ₹ 21,876 lakh on account of acquisition of Viacom18 Media Private Limited and IndiaCast Media Distribution Private Limited and deduction of ₹ 8,311 lakh on account of TV18 Home Shopping Network Limited, a subsidiary, becoming an asociate.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 2 Non-Current Investments

₹ in lakh

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| **A. Investments in Associate Companies** | | | | |
| **Investments measured using equity method** | | | | |
| **In Equity shares - Unquoted, fully paid up** | | | | |
| Big Tree Entertainment Private Limited of ₹ 10 each | 17,04,279 | - | 17,04,279 | - |
| Eenadu Television Private Limited of ₹ 10 each | 60,94,190 | 30,138 | 60,94,190 | 27,423 |
| 24x7 Learning Private Limited of ₹ 10 each | 6,45,558 | - | 6,45,558 | - |
| Aeon Learnings Private Limited of ₹ 1 each | 1,00,000 | - | 1,00,000 | - |
| TV18 Home Shopping Network Limited of ₹ 10 each | 7,67,196 | 2,326 | | - |
| Ordinary shares of USD 0.2 each in NW18 HSN Holdings PLC | 92,62,233 | - | | - |
| | | **32,464** | | **27,423** |
| **In Preference Shares - Unquoted, fully paid up** | | | | |
| Compulsorily convertible preference shares Series B, Bigtree Entertainment Private Limited of ₹ 1,000 each | 2,32,356 | - | 2,32,356 | 1,416 |
| Compulsorily convertible preference shares Series C, Bigtree Entertainment Private Limited of ₹ 1,000 each | 3,63,207 | 14,130 | 3,63,207 | 19,014 |
| Preference Shares Series B, Aeon learning Private Limited of ₹ 1 each | 2 | - | 2 | - |
| | | **14,130** | | **20,430** |
| **A. Total Investments in Associates** | | **46,594** | | **47,853** |
| | | | | |
| **B. Investments in Joint Ventures** | | | | |
| **Investments measured using equity method** | | | | |
| **In Equity shares - Unquoted, fully paid up** | | | | |
| Ubona Technologies Private Limited of ₹ 10 each | 10,821 | 656 | 10,821 | 623 |
| Viacom18 Media Private Limited of ₹ 10 each (Refer Note 35) | | - | 5,68,65,124 | 1,50,455 |
| IndiaCast Media Distribution Private Limited of ₹ 10 each (Refer Note 35) | | - | 2,28,000 | 1,420 |
| IBN Lokmat News Private Limited of ₹ 10 each | 86,25,000 | - | 86,25,000 | - |
| | | **656** | | **1,52,498** |
| **In Preference shares - Unquoted, fully paid up** | | | | |
| 0.10% Non Cumulative Redeemable Preference Shares of Series "I" of IBN Lokmat News Private Limited of ₹ 100 each | 2,20,000 | - | 2,20,000 | - |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 2 Non-Current Investments

₹ in lakh

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| 0.10% Non Cumulative Redeemable Preference Shares of Series "II" of IBN Lokmat News Private Limited of ₹ 100 each | 2,49,999 | 500 | 2,49,999 | 500 |
| 0.01% Optionally Convertible Non Cumulative Redeemable Preference Share of Series "II" of IBN Lokmat News Private Limited of ₹ 100 each (₹ 200) | 1 | 0 | 1 | 0 |
| 0.10% Non Cumulative Redeemable Preference Shares of Series "III" of IBN Lokmat News Private Limited of ₹ 100 each | 20,35,250 | 832 | 20,35,250 | 817 |
| 0.001% Optionally Convertible Redeemable Preference Shares of Viacom18 Media Private Limited of ₹ 10 each (refer note 35) | | - | 4,078 | 24 |
| | | **1,332** | | **1,341** |
| **In Debentures or Bonds** | | | | |
| Zero coupon compulsorily convertible debentures (ZCCD) of IndiaCast Media Distribution Private Limited of ₹ 10 each (Refer Note 35) | | - | 1,00,00,000 | 1,000 |
| | | **-** | | **1,000** |
| **B. Total Investments in Joint Ventures** | | **1,988** | | **1,54,839** |
| | | | | |
| **C. Other Investments** | | | | |
| **Investments Classification at Fair value through other comprehensive income (FVTOCI)** | | | | |
| **In Equity Shares - Quoted, fully paid up** | | | | |
| KSL and Industries Limited of ₹ 4 each | 4,74,308 | 34 | 4,74,308 | 80 |
| Refex Industries Limited of ₹ 10 each | 2,75,000 | 42 | 2,75,000 | 53 |
| Ordinary shares of USD 0.0001 each of Yatra online Inc. | 19,26,397 | 6,211 | 19,26,397 | 5,921 |
| SMC Global Securities Limited of ₹ 10 each | 1,09,994 | 263 | | - |
| | | **6,550** | | **6,054** |
| **In Equity Shares - Unquoted, fully paid up** | | | | |
| Delhi Stock Exchange Association Limited of ₹ 10 each | 8,98,500 | 0 | 8,98,500 | 0 |
| Ensemble Infrastructure India Limited of ₹ 10 each | 83,763 | 0 | 83,763 | 0 |
| MobileNXT Teleservices Private Limited of ₹ 10 each | 3,01,876 | 0 | 3,01,876 | 0 |
| Ushodaya Enterprises Private Limited of ₹ 10 each | 27,500 | 28 | 27,500 | 28 |
| Yatra online Private Limited of ₹ 10 each | 1,09,348 | 1,837 | 1,09,348 | 1,752 |
| | | **1,865** | | **1,780** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 2 Non-Current Investments

₹ in lakh

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| **In Convertible warrants partly paid up** | | | | |
| Convertible warrants of Infibeam Incorporation Limited per warrant of ₹ 186.48 on which ₹ 46.62 paid per warrant | 21,45,002 | 1,000 | | - |
| | | **1,000** | | **-** |
| **In Debentures or Bonds** | | | | |
| Unsecured Zero (Coupon) Optionally redeemable/ convertible debentures of VT Media Private Limited of ₹ 1,000 each | 2,50,000 | 2,500 | 2,50,000 | 2,500 |
| | | **2,500** | | **2,500** |
| **Investments measured at Amortised Cost** | | | | |
| **In Preference shares - Unquoted, fully paid up** | | | | |
| DEN Entertainment Network Private Limited of ₹ 10 each | 25,00,000 | 203 | 25,00,000 | 183 |
| | | **203** | | **183** |
| **In Debentures or Bonds** | | | | |
| Unsecured redeemable non convertible, Upper Tier II Bonds of Yes Bank Limited of ₹ 10,00,000 each | 30 | 300 | 30 | 300 |
| | | **300** | | **300** |
| **C. Total Other Investments** | | **12,418** | | **10,817** |
| **Total Non Current Investments (A+B+C)** | | **61,000** | | **2,13,509** |
| Aggregate amount of quoted investments | | 6,550 | | 6,054 |
| Aggregate market value of quoted investments | | 6,550 | | 6,054 |
| Aggregate amount of unquoted investments | | 54,450 | | 2,07,455 |

### 2.1 Category-wise Non current investments

₹ in lakh

| | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Financial assets measused using equity method | 48,582 | 2,02,692 |
| Financial assets carried at Amortised Cost | 503 | 483 |
| Financial assets measured at Fair value through other comprehensive income (FVTOCI) | 11,915 | 10,334 |
| **Total Non current investment** | **61,000** | **2,13,509** |

**2.2** During the previous year, the Group received 22,88,400 bonus shares of Big Tree Entertainment Private Limited.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 3 Loans - Non-current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Loan to others | 19,274 | 17,717 |
| Loan to employees | 1 | - |
| **Total** | **19,275** | **17,717** |

## Note 4 Other financial assets - Non-current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Security deposits (Unsecured, considered good) | 3,763 | 2,180 |
| Fixed deposits under lien with Government authorities | - | 3 |
| **Total** | **3,763** | **2,183** |

## Note 5 Deferred tax assets (net)

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **Deferred tax assets in relation to:** | | |
| MAT Credit entitlement | 2,465 | 4,890 |
| Property, plant and equipment | 49 | - |
| Provision for Doubtful Debts | 197 | 155 |
| Provision for compensated absences and gratuity | 633 | 498 |
| Other Income Tax disallowance | 133 | - |
| **Total Deferred tax assets** | **3,477** | **5,543** |
| **Deferred tax liabilities in relation to:** | | |
| Property, plant and equipment | (262) | (308) |
| **Deferred Tax Assets (net)** | **3,215** | **5,235** |

The movement on the deferred tax account is as follows:

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| At the start of the year | 5,235 | 5,068 |
| (Charges)/ Credit to profit or loss | 38 | (198) |
| (Charges)/ Credit to Other comprehensive income | (8) | (50) |
| MAT credit recognised/ (utilised) | (2,425) | 415 |
| Additions on account of acquisition through Business Combination | 375 | - |
| **At the end of the year** | **3,215** | **5,235** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 6 Other Non-current Assets

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Capital Advances (Unsecured, considered good) | 407 | 644 |
| Income tax paid (net of provisions)(refer note 37) | 49,189 | 27,230 |
| Prepaid expenses | 956 | 437 |
| Balance with government authorities | 708 | - |
| Advances to Vendors (Unsecured) | | |
| Considered Good | 355 | - |
| Doubtful | 1,986 | - |
| Provision for doubtful advances | (1,986) | - |
| **Total** | **51,615** | **28,311** |

## Note 7 Inventories

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **(valued at lower of cost or net realisable value)** | | |
| Raw Materials and components | 75 | 79 |
| Project-in-Progress | 32,663 | 165 |
| Programming and film rights | 1,01,628 | - |
| **Total** | **1,34,366** | **244** |

## Note 8 Investments - Current

₹ in lakh

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| **Investments Classification at Fair Value through Other Comprehensive Income (FVTOCI)** | | | | |
| **In Equity - Quoted, fully paid up** | | | | |
| Den Network Limited of ₹ 10 each | 6,98,288 | 706 | 6,98,288 | 577 |
| | | **706** | | **577** |
| **Investments Classification at Fair Value Through Profit or Loss (FVTPL)** | | | | |
| HDFC High Interest Fund-Short Term-Regular Plan-Growth | 7,14,032 | 247 | 7,14,032 | 233 |
| UTI Floating Rate Fund-Short Term-Growth | 8,898 | 251 | 8,898 | 236 |
| UTI Short Term Income Fund- Institutional Plan-Growth | 10,55,874 | 223 | 10,55,874 | 211 |
| UTI-Liquid Cash Plan - Institutional-Growth | 156 | 4 | 378 | 10 |
| Aditya Birla Sunlife Cash Plus- Growth -Direct Plan | 5,612 | 16 | | - |
| DSP Black Rock Liquidity Fund- Regular Plan Growth | 31,682 | 784 | | - |
| DSP Black Rock Liquidity Fund- Institutional Plan Growth | 40,707 | 1,007 | | - |
| Aditya Birla Sun life cash Plus -Growth - Regular Plan | 9,47,254 | 2,636 | | - |
| LIC MF Liquid Fund -Growth Plan | 1,500 | 47 | | - |
| UTI Money Market - Institutional Plan-Growth | | - | 22,123 | 402 |
| UTI-Liquid Cash Plan - Institutional-Growth | | - | 207 | 6 |
| Tata Liquid Fund - Direct-Growth | | - | 70 | 2 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 8 Investments - Current (Contd.)

₹ in lakh

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Units | Amount | Units | Amount |
| UTI Money Market - Institutional Plan-Growth | - | | 302 | 8 |
| Birla Sunlife Cash Plus Fund-Growth | - | | 7,74,639 | 2,018 |
| ICICI Prudential Money Market Fund-Growth | - | | 4,46,441 | 1,002 |
| UTI Money Market - Institutional Plan-Growth | - | | 1,082 | 20 |
| | | **5,215** | | **4,148** |
| **Total Current Investments** | | **5,921** | | **4,725** |
| Aggregate amount of quoted investments including mutual funds | | 5,921 | | 4,725 |
| Market value of quoted investments | | 5,921 | | 4,725 |

### 8.1 Category-wise Current Investment

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Financial assets measured at FVTPL | 5,215 | 4,148 |
| Financial assets measured at FVTOCI | 706 | 577 |
| **Total Current Investment** | **5,921** | **4,725** |

## Note 9 Trade Receivables

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Unsecured, considered good | 1,28,524 | 31,731 |
| Unsecured, considered doubtful | 14,920 | 6,308 |
| Less: Allowance for doubtful receivables | (14,920) | (6,308) |
| **Total** | **1,28,524** | **31,731** |

### 9.1 Movement in allowance for doubtful receivables:

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| At the beginning of the year | 6,308 | 6,090 |
| Movement during the year | 8,612 | 218 |
| **At the end the year** | **14,920** | **6,308** |

## Note 10 Cash and cash equivalents

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Cash on Hand (₹ 17, 474) | 0 | 2 |
| Cheques in hand | 1,570 | 8 |
| Balance with bank | | |
| In Current Accounts | 12,233 | 1,124 |
| In Deposit Accounts | 5,050 | 1,364 |
| **Total** | **18,853** | **2,498** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 11 Bank balances other than cash and cash equivalents

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| In current account - earmarked balances | 5 | 5 |
| In other deposit accounts (Refer note) | 256 | 83 |
| Balance with bank towards deposit which remain unclaimed and interest thereon | 283 | 321 |
| Balance with bank towards Non-cumulative convertible redeemable preference shares with remain Unclaimed | 7 | 7 |
| Unclaimed dividend accounts ₹ 631 (Previous Year ₹ 6,239) | 0 | 0 |
| Unclaimed buy back money | 56 | 57 |
| **Total** | **607** | **473** |

Note:
Deposits of ₹ 256 lakh (Previous Year ₹ 83 lakh) are given as lien to statutory authorities.

## Note 12 Loans - current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **(Unsecured and considered good)** | | |
| Advances recoverable | - | 5,765 |
| Loans to others | - | 42 |
| **Total** | **-** | **5,807** |

## Note 13 Other financial assets - current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Interest accrued on loans and investments | 61 | 28 |
| Security deposits (Unsecured and considered good) | 1,788 | 1,191 |
| Unbilled revenue | 5,297 | 495 |
| **Total** | **7,146** | **1,714** |

## Note 14 Other current assets

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **(Unsecured and considered good)** | | |
| Advances to related parties | 2 | - |
| Advances to employees | 82 | 63 |
| Balance with Government tax authorities | 12,008 | 7,428 |
| Prepaid expenses | 5,950 | 3,708 |
| Advance to vendors | 4,305 | 1,274 |
| Others | 1,056 | 973 |
| **Total** | **23,403** | **13,446** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 15 | Equity Share Capital

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Number of Shares | ₹ in lakh | Number of Shares | ₹ in lakh |
| **(a) Authorised Share Capital:** | | | | |
| Equity shares of ₹ 5 each | 5,00,00,00,000 | 2,50,000 | 5,00,00,00,000 | 2,50,000 |
| Preference shares of ₹ 100 each | 11,00,000 | 1,100 | 11,00,000 | 1,100 |
| Preference shares of ₹ 200 each | 1,05,00,000 | 21,000 | 1,05,00,000 | 21,000 |
| Preference shares of ₹ 10 each | 1,55,00,000 | 1,550 | 1,55,00,000 | 1,550 |
| **(b) Issued, Subscribed and fully paid up** | | | | |
| Equity shares of ₹ 5 each | | | | |
| (i) Issued | 1,03,53,61,757 | 51,768 | 1,03,53,61,757 | 51,768 |
| (ii) Subscribed and fully paid up | 1,03,53,61,757 | 51,768 | 1,03,53,61,757 | 51,768 |
| **Total** | **1,03,53,61,757** | **51,768** | **1,03,53,61,757** | **51,768** |

**15.1** The Company has only one class of equity share having par value of ₹ 5 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

**15.2 Details of shares held by each shareholder holding more than 5% shares :**

| | Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|---|
| | | Number of Shares | % Holding | Number of Shares | % Holding |
| 1 | RRB Mediasoft Private Limited | 10,85,15,123 | 10.36% | 10,85,15,123 | 10.36% |
| 2 | RB Mediasoft Private Limited | 12,75,60,417 | 12.18% | 12,75,60,417 | 12.18% |
| 3 | RB Media Holdings Private Limited | 12,75,28,586 | 12.18% | 12,75,28,586 | 12.18% |
| 4 | Watermark Infratech Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| 5 | Colorful Media Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |
| 6 | Adventure Marketing Private Limited | 12,75,28,287 | 12.18% | 12,75,28,287 | 12.18% |

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

**15.4 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:**

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Number of Shares | ₹ in lakh | Number of Shares | ₹ in lakh |
| Equity Shares opening balance | 1,03,53,61,757 | 51,768 | 1,03,53,61,757 | 51,768 |
| Add : Shares issued during the year | - | - | - | - |
| **Equity Shares closing balance** | **1,03,53,61,757** | **51,768** | **1,03,53,61,757** | **51,768** |

**15.5** Issued, Subscribed and paid up capital excludes 1,15,86,762 (Previous year 1,15,86,762) equity shares directly held by trust which have been eliminated.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 16 Other Equity

₹ in lakh

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| **Capital Reserve** | | | | |
| As per last Balance Sheet | | 1,951 | | 1,951 |
| **Securities Premium** | | | | |
| As per last Balance Sheet | | 3,11,017 | | 3,11,017 |
| **Capital Reserve on Consolidation of Subsidiaries** | | | | |
| As per last Balance Sheet | | 11,308 | | 11,308 |
| **General Reserve** | | | | |
| As per last Balance Sheet | 2,932 | | 2,951 | |
| Add: Amount transferred to /(from) general reserve | - | | (19) | |
| | | 2,932 | | 2,932 |
| **Retained Earnings** | | | | |
| As per last Balance Sheet | (2,58,492) | | (1,97,539) | |
| Add: Profit/ (loss) for the year | (15,455) | | (23,344) | |
| Add: Remeasurement of defined benefit plans | 14 | | (152) | |
| Add: Effect of Prism TV Private Limited merger with Viacom18 Media Private Limited (refer note 45) | - | | (37,457) | |
| | | (2,73,933) | | (258,492) |
| **Other Comprehensive Income (OCI)*** | | | | |
| As per last Balance Sheet | 7,784 | | 6,193 | |
| Add: Movement in OCI (Net) during the year | 493 | | 1,591 | |
| | | 8,277 | | 7,784 |
| **Total** | | **61,552** | | **76,500** |

* Includes net movement in Foreign Currency Translation Reserve

## Note 17 Borrowings

₹ in lakh

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|
| | Non Current borrowings | Current maturity of long term borrowings | Non Current borrowings | Current maturity of long term borrowings |
| **Secured** | | | | |
| **Vehicle loans** | | | | |
| - from Banks | 540 | 280 | 8 | 8 |
| **Total** | **540** | **280** | **8** | **8** |

**Security details for borrowings covered under note no. 17 and note no. 21 are as follows:**

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Vehicle loans carries interest rate @9.26% per annum to 11.75% per annum and are secured by hypothecation of the vehicles financed therefrom and loans are payable in equal monthly installments as per the terms of underlying agreements. | 820 | 16 |
| | **820** | **16** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

**17.1 Maturity Profile of loans (including current maturity of long term debt) are set out as below:**

₹ in lakh

| Particulars | 0-1 year | 1-4 year | Total |
|---|---|---|---|
| As at 31st March 2018 | 280 | 540 | 820 |
| As at 31st March 2017 | 8 | 8 | 16 |

## Note 18 Provisions - Non-current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Provision for compensated absences | 1,768 | 1,605 |
| Provision for gratuity (refer Note 27.2) | 4,347 | 2,495 |
| **Total** | **6,115** | **4,100** |

## Note 19 Borrowings - Current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| **Overdraft/ Cash credit/ Working Capital Demand Loan ("WCDL") from Banks:** | | |
| Secured | 33,812 | 1,394 |
| Unsecured | 27,855 | 6,800 |
| **Commercial paper (unsecured)** | | |
| - From banks | 34,988 | 5,000 |
| - From others | 1,22,859 | 1,17,500 |
| **Total** | **2,19,514** | **1,30,694** |

**19.1 Security details for borrowings covered under Note no. 19 is as follows:**

₹ in lakh

| | Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| i | Overdraft/ Cash Credit/ WCDL is repayable on demand and Secured against first pari passu hypothecation charge on all existing and future current assets of the respective subsidiary company. | 6,592 | 1,025 |
| ii | Overdraft/ Cash Credit/ WCDL availed by a subsidiary, repayable on demand and is secured against second pari passu charge on all existing and future movable assets and current assets of the respective subsidiary company. | 181 | 141 |
| iii | The Overdraft/ Cash Credit/ WCDL from Banks is repayable on demand. This loan was secured against first pari passu hypothecation charge on all existing and future current assets and movable fixed assets of the Company. | - | 228 |
| iv | Loans repayable on demand from Banks are secured by a first pari passu charge over Fixed Assets and Current Assets. Fixed Deposits amounting to ₹ 29 lakh are provided as collateral security of the respective subsidiary company | 27,039 | - |
| | **Total** | **33,812** | **1,394** |

**19.2** Unsecured overdraft/ Cash Credit/ WCDL from a Bank is payable on demand.

**19.3** The above bank loans carry an interest rate referenced to the respective bank's marginal cost of lending rate ('MCLR') and mutually agreed spread.

**19.4** All commercial papers are repayable within one year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 20 Trade Payables

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Micro, small and medium enterprises | 52 | 5 |
| Others | 1,52,777 | 35,099 |
| **Total** | **1,52,829** | **35,104** |

Based on the information available with the Group, the balance due to Micro & Small Enterprises as defined under the Micro, Small and Medium enterprises Development (MSMED) Act, 2006 is ₹ 52 lakh (Previous year ₹ 5 lakh) under the terms of the MSMED Act, 2006. Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information provided by the parties.

**20.1** The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Group is as under:

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Principal amount due and remaining unpaid | 52 | 5 |
| Interest due on above and the unpaid interest | - | - |
| Interest paid (Previous year ₹ 19,547) | - | 0 |
| Payment made beyond the appointed day during the year | - | 3 |
| Interest due and payable for the period of delay | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of further interest remaining due and payable in succeeding years | - | - |

## Note 21 Other financial liabilities - current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Current maturities of vehicle loans (Refer Note 17) | 280 | 8 |
| Unclaimed matured deposits and interest accrued thereon* | 283 | 321 |
| Consideration collected on behalf of vendors for sales to customers | - | 3,681 |
| Collection on behalf of Principles (Refer Note 33) | 807 | - |
| Security Deposits | 95 | 80 |
| Interest accrued but not due on borrowings | 5 | 1 |
| Payables on purchase of fixed assets | 1,113 | 1,290 |
| Unclaimed dividends ₹ 631 (Previous year ₹ 6,239) | 0 | 0 |
| Unclaimed preference shares redemption amount | 7 | 7 |
| Book Overdraft | 1,213 | - |
| Other payables | 8 | 874 |
| **Total** | **3,811** | **6,262** |

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 22 Other current liabilities

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Unearned revenue | 5,450 | 2,278 |
| Advances from customer | 5,620 | 1,993 |
| Statutory dues payable | 7,361 | 2,044 |
| Other payables | 6,757 | 9,047 |
| **Total** | **25,188** | **15,362** |

## Note 23 Provisions - current

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Provision for compensated absences | 238 | 226 |
| Provision for gratuity (refer Note 27.2) | 333 | 58 |
| Provision for sales returns | 115 | 81 |
| Provision for indemnity (refer note 23.1) | - | 21,726 |
| Provision for tax (net of advance tax) (refer note 37) | 83 | 8 |
| Preferance dividend (Previous year ₹ 14,330) | - | 0 |
| **Total** | **769** | **22,099** |

**23.1** During the year ended 31 March 2011, Roptonal Limited, Cyprus ('Roptonal') a subsidiary of the Company's then jointly controlled entity, Viacom18 Media Private Limited made a public offer for purchase of entire issued capital of The Indian Film Company Limited, Guernsey ('TIFC'). The Company and its subsidiary, Network18 Holdings Limited, Mauritius ("Network18 Holdings"), in their capacity as shareholders in TIFC accepted the public offer. Further, pursuant to an agreement between Roptonal and Network18 Holdings, Network18 Holdings has agreed to indemnify Roptonal against the amount, if any, by which the net cash generated by TIFC from its existing film library in respect of the period from the date on which the aforementioned public offer becomes unconditional up to 21 July 2014 is less than the net asset value of the film library as per the TIFC's therein mentioned accounts for the year ended 31 March 2010.

Network18 Holdings has also agreed to indemnify Roptonal against certain Indian tax liabilities that may potentially arise in TIFC or Roptonal in respect of certain withholding tax recoveries stated in TIFC's financial statements and other taxes relating to the sale of Network18 Holding' shares in TIFC. The aforementioned agreement further provided that if Network18 Holdings does not undertake the indemnity obligations agreed in the agreement, the indemnity shall be provided by the Company.

During the previous years based on the assessment of estimated cash flow of the indemnified assets the Company has estimated the liability as ₹ 21,726 lakh.

During the year Viacom18 Media Private Limited and Roptonal became subsidiaries of the Company, accordingly, the provision for indemnity has been eliminated in Consolidated Financial Statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 24 Revenue from Operations

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| **Sale of services** | | |
| Income from media operations | 1,55,597 | 1,16,197 |
| Commission income | 9,795 | 23,587 |
| Freight and collection charges | 3,622 | 6,871 |
| Film distribution & syndication, sale of content, other media income and equipment rentals | 14,055 | 1,655 |
| Sale of products | 646 | 319 |
| Other operating revenue | 185 | 475 |
| **Total** | **1,83,900** | **1,49,104** |

## Note 25 Other Income

₹ in lakh

| Particulars | 2017-18 | | 2016-17 | |
|---|---|---|---|---|
| **Interest income on** | | | | |
| Deposit accounts with banks | 77 | | 265 | |
| Other financial assets carried at amortised cost | 30 | | 59 | |
| Income tax refund | 605 | | 1,606 | |
| Others | 225 | | 45 | |
| | | 937 | | 1,975 |
| Dividend Income | | - | | 2 |
| Excess provision written back | | 465 | | 1,351 |
| Miscellaneous income | | 117 | | 127 |
| Net gain arising on financial assets designated at fair value through profit and loss | | 9,610 | | 1,960 |
| Gain arising on sale of current investment | | 119 | | 58 |
| **Total** | | **11,248** | | **5,473** |

## Note 26 Cost of materials consumed and traded goods sold

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| **a. Cost of materials consumed** | | |
| Raw material and components | | |
| Opening balance | 79 | 135 |
| Add : Purchases during the year | 197 | 203 |
| Less : Closing balance | 75 | 79 |
| **Total** | **201** | **259** |
| **b. Cost of traded products** | | |
| Opening balance | - | - |
| Add : Purchases during the year | 369 | 1 |
| Less : Closing balance | - | - |
| **Total** | **369** | **1** |
| **Total** | **570** | **260** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 27 Employee Benefits Expense

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| Salaries and wages | 50,594 | 43,868 |
| Contribution to provident and other funds | 2,635 | 2,326 |
| Staff welfare expenses | 2,461 | 2,402 |
| Gratuity expenses (Refer Note 27.2) | 1,334 | 671 |
| **Total** | **57,024** | **49,267** |

### 27.1 Defined contribution plans

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

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

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| Employer's Contribution to Provident Fund | 1,530 | 1,605 |
| Employer's Contribution to Pension Fund | 697 | 517 |
| Employer's Contribution to Employees State Insurance | 108 | 76 |

### 27.2 Defined benefit plans

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The Group makes contributions to the trust which in turn makes contributions to the employees group gratuity cum life assurance scheme of the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognised in the same manner as gratuity.

The following table sets out the funded/ unfunded status of the defined benefit plans and the amount recognised in the consolidated financial statements:

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

₹ in lakh

| Particulars | Gratuity (Funded) | | Gratuity (Unfunded) | |
|---|---|---|---|---|
| | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2018 | As at 31st March, 2017 |
| Defined Benefit obligation at beginning of the year | 2,526 | 2,110 | 604 | 603 |
| Additions on account of acquisition through Business combination | 2,227 | - | 301 | - |
| Current Service Cost | 930 | 356 | 224 | 150 |
| Interest Cost | 202 | 164 | 26 | 48 |
| Actuarial (gain)/ loss | (101) | 169 | (37) | 2 |
| Benefits paid | (429) | (273) | (90) | (199) |
| Deletion due to change from subsidiary to associate | - | - | (259) | - |
| **Defined Benefit obligation at year end** | **5,355** | **2,526** | **769** | **604** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

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

₹ in lakh

| Particulars | Gratuity (Funded) | |
|---|---|---|
| | As at 31st March, 2018 | As at 31st March, 2017 |
| Fair value of plan assets at beginning of the year | 577 | 599 |
| Additions on account of acquisition through Business combination | 1,036 | - |
| Expected return on plan assets | 48 | 47 |
| Actuarial Gain/ (Loss) | (2) | 11 |
| Benefits paid | (215) | (80) |
| Fair value of plan assets at year end | **1444** | **577** |
| Actual return on plan assets | 28 | 59 |

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

₹ in lakh

| Particulars | Gratuity (Funded) | | Gratuity (Unfunded) | |
|---|---|---|---|---|
| | As at 31st March | | As at 31st March | |
| | 2018 | 2017 | 2018 | 2017 |
| Fair value of Plan Assets | 1,444 | 577 | - | - |
| Present value of Obligation | 5,355 | 2,526 | 769 | 604 |
| **Net liability recognized in Balance Sheet** | **(3,911)** | **(1,949)** | **(769)** | **(604)** |

### iv) Expenses recognised during the year:

₹ in lakh

| Particulars | Gratuity (Funded) | | Gratuity (Unfunded) | |
|---|---|---|---|---|
| | 2017-18 | 2016-17 | 2017-18 | 2016-17 |
| **In Income Statement** | | | | |
| Current Service Cost | 930 | 356 | 224 | 150 |
| Interest Cost | 202 | 164 | 26 | 48 |
| Expected return on Plan assets | (48) | (47) | - | - |
| **Net Cost** | **1,084** | **473** | **250** | **198** |
| **In Other Comprehensive Income** | | | | |
| Actuarial (gain) / loss on defined benefit obligation | (101) | 169 | (37) | 2 |
| Actuarial (gain) / loss on plan assets | 2 | (11) | - | - |
| **Net (Income) /Expense recognized in Other Comprehensive Income** | **(99)** | **158** | **(37)** | **2** |

### v) Investment Details:

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

**vi) Actuarial assumptions:**

| Particulars | Gratuity (Funded) | | Gratuity (Unfunded) | |
|---|---|---|---|---|
| | 2017-18 | 2016-17 | 2017-18 | 2016-17 |
| **Mortality Table** | **IALM (06-08)** | **IALM (06-08)** | **IALM (06-08)** | **IALM (06-08)** |
| Discount rate (per annum) | 7.70% | 7.60% to 8.00% | 7.70% | 7.60% to 8.00% |
| Expected rate of return on plan assets (per annum) | 9% | 8.00% | - | - |
| Rate of escalation in salary (per annum) | 5.50% to 8.00% | 5.50% to 8.00% | 5.50% | 5.50% |

IALM - Indian Assured Lives Mortality

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

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Group's policy for plan assets management.

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

**viii) Sensitivity Analysis**

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

₹ in lakh

| Particulars | | Gratuity (Funded) | | Gratuity (Unfunded) | |
|---|---|---|---|---|---|
| | | As at 31st March | | As at 31st March | |
| | | 2018 | 2017 | 2018 | 2017 |
| **a)** | **Impact of the change in discount rate** | | | | |
| | Present value of obligation at the end of the period | 5,355 | 2,526 | 769 | 604 |
| i) | Impact due to increase of 0.50% | (227) | (125) | (55) | (44) |
| ii) | Impact due to decrease of 0.50% | 243 | 137 | 63 | 49 |
| **b)** | **Impact of the change in salary increase** | | | | |
| | Present value of obligation at the end of the period | 5,355 | 2,526 | 769 | 604 |
| i) | Impact due to increase of 0.50% | 190 | 138 | 57 | 49 |
| ii) | Impact due to decrease of 0.50% | (184) | (128) | (52) | (45) |

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

**Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds; if the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk**

A decrease in the discount rate will increase the plan liability.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

**Longevity risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk**

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## Note 28 Finance Costs

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| Interest cost | 9,576 | 7,925 |
| Other borrowing costs | 48 | 92 |
| **Total** | **9,624** | **8,017** |

## Note 29 Other Expenses

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| Programming and other production expenses | 37,423 | 10,885 |
| Telecast and uplinking fees | 4,128 | 3,714 |
| Airtime/ Web space/ Print space purchased | 1,874 | 685 |
| Content expenses | 10,148 | 10,184 |
| Royalty expenses | 4,113 | 3,716 |
| Electricity expenses | 2,233 | 2,405 |
| Repairs to machinery | 1,694 | 1,663 |
| Repairs to building | 244 | 59 |
| Other repairs | 829 | 1,311 |
| Rent (refer note 31) | 6,632 | 6,180 |
| Insurance | 425 | 343 |
| Rates and taxes | 292 | 311 |
| Professional and legal fees (refer note 29.1) | 2,955 | 3,023 |
| Directors sitting fee | 174 | 139 |
| (Profit)/ loss on sale /discard of assets (net) | 470 | (6) |
| Foreign exchange (gain)/ loss (net) | 86 | 109 |
| Bad debts and allowance for doubtful trade receivables | 214 | 754 |
| Travelling and conveyance expenses | 6,648 | 7,767 |
| Charity and donations (refer note 29.2) | 228 | 317 |
| Other establishment expenses | 7,968 | 8,190 |
| **Total** | **88,778** | **61,749** |

**29.1 Payment to Auditors :**

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| (a) Statutory Audit fees | 210 | 189 |
| (b) Limited review fees | 103 | 100 |
| (c) Other services | 8 | 32 |
| **Total** | **321** | **321** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

**29.2 Corporate Social Responsibility (CSR)**

(a) CSR amount required to be spent as per section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Group during the year is ₹ 221 lakh (Previous Year ₹ 316 lakh).

(b) Expenditure related to Corporate Social Responsibility is ₹ 223 lakh (Previous Year ₹ 317 lakh)

Details of amount spent towards CSR as follows:

₹ in lakh

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| Sports for Development | 223 | 317 |
| **Total** | **223** | **317** |

(c) Out of note (b) above, ₹ 223 lakh (Previous Year ₹ 317 lakh) is spent through Reliance Foundation.

## Note 30 Earnings Per Share (EPS)

₹ in lakh

| | | | 2017-18 | 2016-17 |
|---|---|---|---|---|
| i) | Profit/ (Loss) after tax attributable to equity shareholders | ₹ in lakh | (15,455) | (23,344) |
| ii) | Weighted average number of equity shares in calculating basic and diluted earnings per share | Number | 1,03,53,61,757 | 1,03,53,61,757 |
| iii) | Face Value per Equity Share | ₹/ share | 5.00 | 5.00 |
| iv) | Earnings per share (basic and diluted) | ₹/ share | (1.49) | (2.25) |

## Note 31 Leases

**Operating leases (as lessee)**

i. The Group has taken various residential/ commercial premises under cancelable/ non-cancelable operating lease. The cancelable lease agreements are normally renewed on expiry.

ii. Operating lease charges amounting ₹ 6,632 lakh (previous year ₹ 6,180 lakh) have been debited to the Statement of Profit and Loss during the year.

iii. The future minimum lease payments under non-cancelable operating leases are:

₹ in lakh

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|
| Not later than one year | 4,239 | 3,691 |
| Later than one year but not later than five years | 5,460 | 5,664 |
| Later than five years | 1,015 | 1,493 |
| **Total** | **10,714** | **10,848** |

iv. The operating leases mainly relates to office premises with lease terms of between 2 to 10 years. Most of the operating lease contract contains market review clauses for rate escalation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 32 Segment Reporting:

a) The Group reported separate information about its two operating segments, namely, Media operations and Film production and distribution till previous year ended 31st March, 2017. In the current year, consequent to the changes in the structure of its internal organisation and the review of the operating results by the Group's Chief Operating Decision Maker and consideration of the aggregation criteria as stipulated in Ind AS 108 'Operating Segments', the Group has determined that it operates in a single reportable operating segment 'Media and Entertainment'. Hence there is no separate reportable segment as per Ind AS 108 'Operating Segments'.

b) Since the Group operations are primarily in India, it has determined single geographical segment

c) No single customer represents 10% or more of the Group's total revenue.

## Note 33 Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

**(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships:**

| Sr. No. | Name of the Related Party | Relationship |
|---|---|---|
| 1 | Independent Media Trust | Enterprises exercising control |
| 2 | Adventure Marketing Private Limited # | |
| 3 | Watermark Infratech Private Limited # | |
| 4 | Colorful Media Private Limited # | |
| 5 | RB Media Holdings Private Limited # | |
| 6 | RB Mediasoft Private Limited # | |
| 7 | RRB Mediasoft Private Limited # | |
| 8 | RB Holdings Private Limited # | |
| 9 | Teesta Retail Private Limited | |
| 10 | Reliance Industries Limited | Beneficiary/Protector of Independent Media Trust |
| 11 | Reliance Industrial Investments and Holdings Limited | |
| 12 | IBN Lokmat News Private Limited | Joint ventures and their subisidiaries |
| 13 | Viacom18 Media Private Limited @ | |
| 14 | IndiaCast Media Distribution Private Limited @ | |
| 15 | Ubona Technologies Private Limited | |
| 16 | IndiaCast UK Limited @ | |
| 17 | IndiaCast US Limited @ | |
| 18 | Viacom18 US Inc @ | |
| 19 | Roptonal Limited @ | |
| 20 | Viacom18 Media UK Limited @ | |
| 21 | 24X7 Learning Private Limited | Associates and their subisidiaries |
| 22 | Eenadu Television Private Limited | |
| 23 | Aeon Learnings Private Limited | |
| 24 | NW18 HSN Holdings Plc (w.e.f. 15th February, 2018) | |
| 25 | TV18 Home Shopping Network Limited (w.e.f. 15th February, 2018) | |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

| Sr. No. | Name of the Related Party | Relationship |
|---|---|---|
| 26 | Shop CJ Network Private Limited (w.e.f. 15th February, 2018) | Associates and their subisidiaries |
| 27 | Big Tree Entertainment Private Limited | |
| 28 | Spacebound Web labs Private Limited | |
| 29 | Big Tree Entertainment Singapore PTE Limited | |
| 30 | Fantain Sports Private Limited | |
| 31 | PT Big Tree Entertainment Indonesia | |
| 32 | Dyulok Technologies Private Limited (w.e.f. 31st March 2017) | |
| 33 | Townscript USA, Inc. (w.e.f. 31st March 2018) | |
| 34 | Foodfesta Wellcare Private Limited (w.e.f. 4th August 2017) | |
| 35 | Big Tree Entertainment DMCC (w.e.f. 1st March 2018) | |
| 36 | Big Tree Entertainment Lanka (Pvt) Limited (w.e.f. 26th May 2017) | |
| 37 | Reliance Retail Limited * | Fellow subsidiaries |
| 38 | Reliance Jio Messaging Service Private Limited * | |
| 39 | Reliance Jio Digital Services Private Limited * | |
| 40 | Reliance Corporate IT Park Limited* | |
| 41 | Reliance Jio Infocomm Limited * | |
| 42 | Brook Brothers India Private Limited * | |

#) Controlled by Independent Media Trust of which Reliance Industries Limited is the sole beneficiary

(*) Subsidiary of Reliance Industries Limited, the sole beneficiary of Independent Media Trust

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

**b. Details of transactions and balances with related parties**

**(i) Transactions during the year**

₹ in lakh

| Sr No | Particulars | Relationship | 2017-18 | 2016-17 |
|---|---|---|---|---|
| 1 | **Income from Operations and other Income** | | | |
| | Reliance Industries Limited | Beneficiary/ Protector of Independent Media Trust | 229 | - |
| | Eenadu Television Private Limited | Associate | 67 | 10 |
| | TV18 Home Shopping Network Limited | Associate | 14 | - |
| | Reliance Jio Messaging Service Private Limited | Fellow subsidiary | 1 | 337 |
| | Reliance Retail Limited | Fellow subsidiary | 13 | 279 |
| | Reliance Jio Digital Services Private Limited | Fellow subsidiary | - | 11 |
| | Brook Brothers India Private Limited | Fellow subsidiary | - | 4 |
| | Viacom18 Media Private Limited | Joint Venture | 2,964 | 4,173 |
| | IBN Lokmat News Private Limited | Joint Venture | 96 | 83 |
| | Indiacast US Limited | Joint Venture | 23 | 47 |
| | Indiacast UK Limited | Joint Venture | 566 | 599 |
| | Indiacast Media Distribution Private Limited | Joint Venture | 532 | 446 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| Sr No | Particulars | Relationship | 2017-18 | 2016-17 |
|---|---|---|---|---|
| 2 | **Expenditure for Services received** | | | |
| | Reliance Industries Limited | Beneficiary/ Protector of Independent Media Trust | 50 | - |
| | Reliance Retail Limited | Fellow subsidiary | 14 | 1 |
| | Reliance Corporate IT Park Limited | Fellow subsidiary | 107 | - |
| | Reliance Jio Infocomm Limited | Fellow subsidiary | 16 | - |
| | Eenadu Television Private Limited | Associate | 232 | 216 |
| | Big Tree Entertainment Private Limited | Associate | 2 | - |
| | Viacom18 Media Private Limited | Joint Venture | 8 | 616 |
| | IBN Lokmat News Private Limited | Joint Venture | 108 | 43 |
| | Ubona Technologies Private Limited | Joint Venture | - | 3 |
| | Indiacast Media Distribution Private Limited | Joint Venture | 2,537 | 4,939 |
| 3 | **Reimbursement of expenses (received)** | | | |
| | Reliance Industries Limited | Beneficiary/ Protector of Independent Media Trust | 3 | - |
| | Reliance Retail Limited | Fellow subsidiary | 1 | - |
| | IBN Lokmat News Private Limited | Joint Venture | 589 | 508 |
| | Viacom18 Media Private Limited | Joint Venture | 4,569 | 5,519 |
| | Indiacast Media Distribution Private Limited | Joint Venture | 1,767 | 56 |
| | Big Tree Entertainment Private Limited | Associate | 29 | 101 |
| | TV18 Home Shopping Network Limited | Associate | 35 | - |
| | Eenadu Television Private Limited | Associate | 1 | - |
| 4 | **Reimbursement of expenses (paid)** | | | |
| | Reliance Retail Limited | Fellow subsidiary | - | 2 |
| | Eenadu Television Private Limited | Associate | 546 | 456 |
| | Viacom18 Media Private Limited | Joint Venture | 65,271 | 64,240 |
| | IBN Lokmat News Private Limited | Joint Venture | 10 | - |
| | Indiacast Media Distribution Private Limited | Joint Venture | 9,014 | 16,607 |
| | 24 X 7 Learning Private Limited | Associate | - | 7 |
| | Big Tree Entertainment Private Limited | Associate | 2 | 2 |
| 5 | **Assets purchased** | | | |
| | Reliance Retail Limited | Fellow subsidiary | 27 | 87 |
| 6 | **Amount collected on behalf of** | | | |
| | Reliance Retail Limited | Fellow subsidiary | 19 | 2,434 |
| 7 | **Investments during the year** | | | |
| | Big Tree Entertainment Private Limited | Associate | - | 19,014 |
| | TV18 Home Shopping Network Limited | Associate | 2,769 | - |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

### (ii) Balances at the year end

₹ in lakh

| Sr No | Particulars | Relationship | As at 31st March 2018 | As at 31st March 2017 |
|---|---|---|---|---|
| 8 | **Trade Receivables** | | | |
| | Reliance Industries Limited | Beneficiary/ Protector of Independent Media Trust | 535 | - |
| | Reliance Retail Limited | Fellow subsidiary | - | 1 |
| | Reliance Jio Infocomm Limited | Fellow subsidiary | 0 | - |
| | Reliance Jio Digital Services Private Limited | Fellow subsidiary | - | 6 |
| | Reliance Jio Messaging Services Private Limited | Fellow subsidiary | - | 129 |
| | Brook Brothers India Private Limited | Fellow subsidiary | - | 4 |
| | Eenadu Television Private Limited | Associate | 63 | - |
| | TV18 Home Shopping Network Limited | Associate | 186 | - |
| | Viacom18 Media Private Limited | Joint Venture | - | 2,714 |
| | IBN Lokmat News Private Limited | Joint Venture | 274 | 94 |
| | Indiacast Media Distribution Private Limited | Joint Venture | - | 11,619 |
| | Indiacast US Limited | Joint Venture | - | 8 |
| | Indiacast UK Limited | Joint Venture | - | 221 |
| | Big Tree Entertainment Private Limited | Associate | 42 | 42 |
| 9 | **Trade Payables** | | | |
| | Reliance Industries Limited | Beneficiary/ Protector of Independent Media Trust | 12 | - |
| | Eenadu Television Private Limited | Associate | 442 | 185 |
| | Reliance Retail Limited | Fellow subsidiary | 12 | 3 |
| | Reliance Corporate IT Park Limited | Fellow subsidiary | 115 | - |
| | Reliance Jio Infocomm Limited | Fellow subsidiary | 0 | - |
| | Viacom18 Media Private Limited | Joint Venture | - | 29,491 |
| | IBN Lokmat News Private Limited | Joint Venture | 18 | 3 |
| | Indiacast Media Distribution Private Limited | Joint Venture | - | 7,110 |
| | Big Tree Entertainment Private Limited | Associate | - | 12 |
| 10 | **Other Receivables** | | | |
| | Indiacast UK Limited | Joint Venture | - | 95 |
| 11 | **Loans and Advances** | | | |
| | 24x7 Learning Private Limited | Associate | 2 | - |
| 12 | **Amount collected on behalf of Principle** | | | |
| | Eenadu Television Private Limited | Associate | 807 | - |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 34 Contingent liabilities and commitments not provided for

₹ in lakh

| | Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| **(I)** | **Contingent liabilities** | | |
| **A** | **In the case of Company** | | |
| | **Claims agianst the Company not acknowledge as debts** | | |
| | (a) The Company has received demand order from the Collector and Additional Superintendent of Stamps Gujarat State to pay a stamp duty of ₹ 87 lakh on transfer of a immovable property from Infomedia18 Limited to the Company, under the Scheme of Arrangement entered between the parties. The Company has filed a reference petition before the Gujarat High Court. | 87 | 87 |
| | (b) The amount pertaining to year 2016 – 17 includes an amount of ₹ 300 lakh relating to a demand order from Collector of Stamps, Delhi on issuance of shares. The said matter has been disposed off by Delhi High Court vide its order dated 30th January, 2018. | - | 300 |
| | (c) Contingent payments under agreements for sale of subsidiaries | 170 | 170 |
| **B** | **In the case of TV18 Broadcast Limited ("TV18")** | | |
| | (a) Liabilities under export obligation in "Export Promotion Capital Goods Scheme" | 677 | 677 |
| | (b) Demand in excess of provision for income tax | 2,940 | 2,998 |
| | (c) TV18 has received legal notices of claims/ lawsuits filed against it relating to infringement of copyrights, objectionable contents and defamation suits in relation to the programmes produced by it. | 25,027 | 20,528 |
| | (d) TV18 has received demand order from the Collector of Stamps, Delhi relating to scheme of amalgamation of the Company and Network 18 Media and Investments Limited. The Company has filed writ petition against such order and the Delhi High Court has granted stay on such demand order. | 3,077 | 3,915 |
| **C** | **In the case of Panorama Television Private Limited ("Panorama")** | | |
| | (a) Claims against Panorama/ disputed liabilities not acknowledged as debts. | 56 | 57 |
| | (b) Other Money for which Panorama is contingently liable | | |
| | Demand in excess of provision for Income Tax | 1,163 | 1,726 |
| | Demand in excess of provision for Service tax | 254 | 254 |
| **D** | **In the case of Viacom 18 Media Private Limited ("Viacom 18")** | | |
| | **Claims against Viacom 18 not acknowledged as debts:** | | |
| | (a) **Legal matters:** | | |
| | i. Case filed against Viacom 18 for infringement of literary and copyrights right. | 300 | - |
| | ii. Cases filed against Viacom 18 in distribution business and other matters. | 1171 | - |
| | (b) **Taxation matters:** | | |
| | i. Income tax demands mainly relate to Assessment Years 2005-06 to 2014-15 and include appeals filed by Viacom 18 before various appellate authorities against the disallowance of expenses / claims, non-deduction / short deduction of tax at source etc. | 9,894 | - |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 34 **Contingent liabilities and commitments not provided for** (Contd.)

₹ in lakh

| | Particulars | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---|---|---|
| | ii. 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. | 4,483 | - |
| | iii. VAT and CST demands mainly relate to Financial Years 2005-06 to 2014-15 and include appeals filed by Viacom 18 before various authorities against exparte order, disallowance of claims, determination of turnover etc. | 1,019 | - |
| | iv. Demands towards Entertainment tax for Assessment Years 2014-15 and 2016-17. | 531 | - |
| | (c) Corporate Guarantee given by the Viacom 18 | 1,944 | - |
| **E** | **In the case of Infomedia Press Limited ("Infomedia")** | | |
| | **Claims against Infomedia not acknowledged as debts:** | | |
| | (a) Infomedia has received demands ascertaining towards Income Tax for the assessment years 2006-07, 2008-09, 2009-10, 2010-11 and 2013-14. Infomedia has disputed the demands and has preferred appeals before appellate authorities. | 4,796 | 4,484 |
| | (b) Sales tax/Works Contract tax matters disputed by Infomedia relating to issue of applicability, allowability, etc. aggregating for the F.Y 2000-01, 2001-02, 2002-03, 2003-04 and 2004-05 | 546 | 4,581 |
| **F** | **In the case of other entities** | | |
| | Demand in excess of provision for income tax | 1,230 | 1,213 |
| **G** | **Other litigations** | | |
| | Victor Fernandes and others ("plaintiffs") had filed a derivative action suit before the Bombay High Court against Raghav Bahl, TV18 and other TV18 group entities alleging that all business opportunities undertaken by the Network18 Group should be routed through e-Eighteen.com Limited. The suit is currently pending. | 3,11,406 | 3,11,406 |
| **H** | **In case of Joint Ventures** | | |
| | Claim against Viacom18 not acknowledge as debt (50%) | - | 14,857 |
| | Corporate/ Bank Guarantee given by Viacom18 (50%) | - | 1,217 |
| | | | |
| **(ii)** | **Capital commitments** | | |
| **A** | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance). | 1,449 | 895 |
| | | | |
| **(iii)** | **Other commitments** | | |
| **B** | The Group has entered into certain non-cancellable agreements with vendors, the cancellation of which will entail substantial monetary compensation. | 2,556 | - |
| **C** | In case of Joint Ventures | - | 3,809 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 35 | Business Combination

On 28th February 2018, TV18 Broadcast Limited ('TV18') a subsidiary of the Company increased its equity interest in Viacom18 Media Private Limited (Viacom18) from 50% to 51% by acquiring in cash 1% of the equity shares held by MTV Asia Ventures (India) Pte. Ltd., Mauritius for ₹ 12,975 lakh and consequently obtained operational control over Viacom18. Accordingly, TV18 has consolidated Viacom18 as subsidiary from 1st March, 2018.

Under Ind AS 103 – Business Combinations ('Ind AS 103' or the 'relevant standard') such transactions are considered as step acquisition which require re-measurement of previously held equity interest at its acquisition date fair value and to recognise the resulting gain in the statement of profit and loss Further, excess of consideration transferred, non-controlling interest and the re-measured equity interest in the acquiree over fair value of identifiable assets acquired and liabilities assumed is recorded as goodwill.

The gain on re-measurement of previously held equity interest amounting to ₹ 4,94,231 lakh which has been credited to the profit or loss in accordance with Ind AS 103 has been adjusted against the goodwill so created and netted off in Exceptional Items, since the Group considers equity interest in Viacom18 as long term strategic business of the Group with no intention to liquidate in the near future. This, in the Group's view, will reflect a true and fair view of the consolidated financial statements of the Group.

**Following table explains the accounting on the date of acquisition:**

₹ in lakh

| Particulars | Amount | |
|---|---|---|
| Amount paid for 1% additional equity interest | 12,975 | |
| Acquisition date fair value of existing equity interest (50%) | 6,48,725 | 6,61,700 |
| **Less:** | | |
| **Identifiable assets acquired** | | |
| Tangible and intangible assets (including CWIP) | 15,066 | |
| Inventories | 1,39,059 | |
| Trade Receivables | 1,25,905 | |
| Others | 84,196 | |
| (a) | 3,64,226 | |
| **Liabilities Assumed** | | |
| Trade Payables | 1,46,871 | |
| Borrowings | 69,143 | |
| Others | 23,931 | |
| (b) | 2,39,945 | |
| Net assets acquired (a-b) | | 1,24,281 |
| Add: Non-Controlling Interest (49%) | | 60,898 |
| Goodwill per Ind AS 103 | | 5,98,317 |
| Less: Gain on re-measurement of 50% previously held equity interest | | 4,94,231 |
| **Net Goodwill recorded on the date of acquisition** | | **1,04,086** |

Consequent to this acquisition, IndiaCast Media Distribution Private Limited ("IndiaCast Media"), which was hitherto a Joint Venture, was accounted as subsidiary with effect from 1st March 2018 and Goodwill of ₹ 895 lakh has been recognised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 36 Foreign currency exposure

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

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

| Particulars | Foreign Currency Denomination | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|---|---|---|---|---|
| | | Foreign Currency Value | ₹ in lakh | Foreign Currency Value | ₹ in lakh |
| Trade Payables | GBP | 3,16,979 | 293 | 1,24,897 | 101 |
| | EURO | 9,755 | 8 | 29,049 | 20 |
| | USD | 1,40,98,295 | 9,208 | 72,70,853 | 4,715 |
| | SGD | 81,921 | 41 | 60,000 | 28 |
| | HKD | - | - | 48,000 | 4 |
| | CAD | 12,50,095 | 638 | - | - |
| | AUD | 4,825 | 2 | - | - |
| | AED | 4,20,933 | 74 | - | - |
| Trade Receivables | GBP | 16,41,825 | 1,515 | 39,191 | 32 |
| | USD | 2,44,02,153 | 15,906 | 27,29,225 | 1,770 |
| | EURO | 83,525 | 67 | 5,500 | 4 |
| | SGD | 2,04,775 | 101 | - | - |
| | CHF | 2,532 | 2 | - | - |
| | CAD | 16,09,774 | 819 | 15,127 | 7 |
| | AUD | 1,13,655 | 57 | - | - |
| | AED | 56,48,687 | 998 | - | - |
| | IDR | 29,56,40,000 | 14 | - | - |
| Other Currents Liabilities | EUR | 2,86,511 | 231 | - | - |
| | GBP | 1,648 | 2 | - | - |
| | USD | 16,52,895 | 1,075 | - | - |
| | AED | 3,18,938 | 56 | - | - |
| Financial Asset-Non Current | AED | 47,163 | 8 | - | - |
| Other Current Assets | AED | 26,732 | 5 | - | - |
| | GBP | 858 | 1 | - | - |
| | USD | 53,680 | 35 | - | - |
| | EURO | 11,065 | 9 | - | - |
| Other financial assets-current | USD | 3,94,191 | 256 | - | - |
| | SGD | 60,379 | 30 | - | - |
| | AED | 5,93,756 | 105 | - | - |
| | NZD | 2,823 | 1 | - | - |
| | CAD | 2,21,367 | 113 | - | - |
| | EURO | 1,048 | 1 | - | - |
| Cash and Cash equivalents | GBP | 19,12,254 | 1,759 | - | - |
| | USD | 6,99,149 | 457 | - | - |
| | AED | 22,01,771 | 389 | - | - |
| | CAD | 5,68,824 | 290 | - | - |

**36.1 Sensitivity analysis of 2% change in exchange rate at the end of the reporting period:**

2% appreciation / depreciation of the respective foreign currencies with respect to the functional currency of the Company would result increase/ decrease in the Company's profit before tax by approximately ₹ 226 lakh for the year ended 31st March 2018 and ₹ 61 lakh for the year ended 31st March 2017 respectively.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 37 Taxation

₹ in lakh

| | Particulars | 2017-18 | 2016-17 |
|---|---|---|---|
| a) | **Income tax recognised in profit or loss** | | |
| | **Current tax** | | |
| | In respect of the current year (net of MAT credit entilement/ utilised) | 6,108 | 3,033 |
| | In respect of prior year | 123 | (2,268) |
| | **Deferred tax** | | |
| | In respect of the current year | (38) | 198 |
| | **Total income tax expenses recognised in the current year** | **6,193** | **963** |

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

| Particulars | 2017-18 | 2016-17 |
|---|---|---|
| Profit /(loss) before non-controlling interests/share of profit/ (loss) of joint ventures and associates | (11,509) | (24,330) |
| Applicable Tax Rate | 34.608% | 34.608% |
| Computed Tax Expense/ (Credit) | (3,983) | (8,420) |
| **Tax Effect of :** | | |
| Non taxable income | - | (400) |
| Expenses disallowed/(allowed) (net) | (1,042) | 119 |
| Effect due to different tax jurisdiction | (199) | (873) |
| Effect of deferred tax on unused tax losses and tax offset | 11,294 | 12,805 |
| | **6,070** | **3,231** |
| Adjustment recognised in the current year in relation to tax of prior years | 123 | (2,268) |
| **Tax Expenses recognised in Statement of Profit and Loss** | **6,193** | **963** |

Effective Tax Rate is not disclosed considering that deferred tax assets have not been recognised by certain components on account of unabsorbed losses and depreciation.

₹ in lakh

| | Particulars | As at 31st March 2018 | As at 31st March 2017 |
|---|---|---|---|
| b) | **Current Tax Assets** | | |
| | At start of year | 27,230 | 28,259 |
| | Acquisition through Business combination | 21,572 | - |
| | Charge for the year | (6,063) | (2,995) |
| | Prior Period tax | (24) | (249) |
| | MAT Credit entitlement | 2,425 | (415) |
| | Tax paid | 7,921 | 2,595 |
| | Due to change from subsidiary to associate | (3,878) | - |
| | Others | 6 | 35 |
| | **At end of year** | **49,189** | **27,230** |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

₹ in lakh

| | Particulars | As at 31st March 2018 | As at 31st March 2017 |
|---|---|---|---|
| c) | **Provision for Tax** | | |
| | At start of year | (8) | (2,490) |
| | Acquisition through business combination | (41) | - |
| | Charge for the year | (45) | (38) |
| | Prior Period tax | (99) | 2,517 |
| | Tax paid | 16 | 39 |
| | Due to change from Subsidiary to associate | 99 | - |
| | Others | (5) | (36) |
| | **At end of year** | **(83)** | **(8)** |

## Note 38 Capital and Financial Risk Management

### 38.1 Capital Management

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

The capital structure of the Group consists of debt, cash and cash equivalent and equity attributable to owners:

**Gearing ratio**

The gearing ratio at end of the reporting period was as follows:

₹ in lakh

| Particulars | As at 31st March 2018 | As at 31st March 2017 |
|---|---|---|
| Gross Debt | 2,20,334 | 1,30,710 |
| Less: Cash and cash equivalent | 18,853 | 2,498 |
| Net debts (A) | 2,01,481 | 1,28,212 |
| Equity attributable to owners of the Group (B) | 1,13,320 | 1,28,268 |
| Net Gearing (A)/(B) | 1.78 | 0.99 |

### 38.2 Financial Risk Management

The Group's activities exposes it mainly to credit risk and liquidity risk, The treasury team identifies and evaluates financial risk in close coordination with the Group's business teams. The Board provides guidance for overall risk - management, as well as policies covering specific areas such as credit risk, liquidity risk and investment of excess liquidity.

**(a) Credit risk**

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

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

**(b) Liquidity Risk**

The Group closely monitors its risk of shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of term loans, commercial papers and cash credit/ overdrafts from banks. The Group assessed the concentration of risk with respect to its debt as low. As at reporting date, except vehicle loan, the Group does not have any term loan and all other financial liabilities of the Group are short term. Further, the Group believes that carrying value of all of its financial liabilities including debt approximates its fair value.

## Note 39 Fair valuation measurement hierarchy:

₹ in lakh

| Particulars | As at 31st March, 2018 | | | | As at 31st March, 2017 | | | |
|---|---|---|---|---|---|---|---|---|
| | Carrying Amount | Level of input used in | | | Carrying Amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | | | | | |
| **At Amortised Cost** | | | | | | | | |
| Investments* | 503 | - | - | - | 483 | - | - | - |
| Trade Receivables | 1,28,524 | - | - | - | 31,731 | - | - | - |
| Cash and Bank Balances | 19,460 | - | - | - | 2,971 | - | - | - |
| Loans | 1 | - | - | - | 5,807 | - | - | - |
| Other Financial Assets | 10,909 | - | - | - | 3,897 | - | - | - |
| **AT FVTPL** | | | | | | | | |
| Loans | 19,274 | - | 19,274 | - | 17,717 | - | 17,717 | - |
| Investments | 5,215 | 5,215 | - | - | 4,148 | 4,148 | - | - |
| **AT FVTOCI** | | | | | | | | |
| Investments | 12,621 | 6,993 | 3,100 | 2,528 | 10,911 | 6,631 | 1,752 | 2,528 |
| **Financial Liabilities** | | | | | | | | |
| **At Amortised Cost** | | | | | | | | |
| Borrowings | 2,20,334 | - | - | - | 1,30,710 | - | - | - |
| Trade Payables | 1,52,829 | - | - | - | 35,104 | - | - | - |
| Other Financial Liabilities | 3,531 | - | - | - | 6,254 | - | - | - |

* Excludes financial assets measured at cost (accounted using equity method) (Refer Note 2.1)

**The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below.**

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

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 40 Statement of Net assets and Profit and Loss and other comprehensive income attributable to Owners and Non-controlling interest.

| Sr. No. | Name of the Enterprise | Net Assets ie Total Assets minus Total Liabilities | | Share in Profit or loss (PAT) | | Share in Other Comprehensive income | | Share in Total Comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated Net Assets | Amount ₹ in lakh | As % of consolidated Profit or Loss | Amount ₹ in lakh | As % of consolidated Other Comprehensive Income | Amount ₹ in lakh | As % of consolidated Total Comprehensive Income | Amount ₹ in lakh |
| **Parent** | | | | | | | | | |
| **Network18 Media & Investments Limited** | | 218.52% | 2,47,625.00 | 41.72% | (6,448.00) | 25.05% | 127.00 | 42.29% | (6,321.00) |
| **Subsidairies** | | | | | | | | | |
| **Indian** | | | | | | | | | |
| 1 | AETN18 Media Private Limited | 6.00% | 6,802.78 | 5.56% | (859.20) | (0.62%) | (3.16) | 5.77% | (862.36) |
| 2 | Capital18 Fincap Private Limited | 8.45% | 9,570.19 | (0.39%) | 59.79 | 16.73% | 84.84 | (0.97%) | 144.63 |
| 3 | Colosceum Media Private Limited | 1.61% | 1,823.91 | (1.41%) | 217.82 | (0.18%) | (0.90) | (1.45%) | 216.92 |
| 4 | Digital18 Media Limited | 0.53% | 595.09 | (0.96%) | 148.58 | (1.01%) | (5.11) | (0.96%) | 143.47 |
| 5 | e-Eighteen.com Limited | 7.51% | 8,507.00 | (9.45%) | 1,460.00 | (3.75%) | (19.00) | (9.64%) | 1,441.00 |
| 6 | Equator Trading Enterprises Private Limited | 118.11% | 1,33,844.95 | 0.10% | (15.13) | - | - | 0.10% | (15.13) |
| 7 | Greycells18 Media Limited | (1.22%) | (1,385.87) | 3.08% | (476.22) | 0.55% | 2.81 | 3.17% | (473.41) |
| 8 | IndiaCast Media Distribution Private Limited* | 6.32% | 7,165.72 | (0.43%) | 67.16 | 3.31% | 16.76 | (0.56%) | 83.92 |
| 9 | Infomedia Press Limited | (3.00%) | (3,394.49) | 2.01% | (310.45) | - | 0.02 | 2.08% | (310.43) |
| 10 | Moneycontrol Dot Com India Limited | 0.02% | 24.82 | - | (0.10) | - | - | - | (0.10) |
| 11 | Network18 Media Trust | - | (1.27) | - | (0.05) | - | - | - | (0.05) |
| 12 | Panorama Television Private Limited | (15.46%) | (17,516.60) | 106.12% | (16,401.56) | 1.03% | 5.23 | 109.69% | (16,396.33) |
| 13 | Reed Infomedia India Private Limited | - | (2.24) | 0.02% | (2.89) | - | - | 0.02% | (2.89) |
| 14 | RRB Investments Private Limited | 0.59% | 663.24 | (0.14%) | 20.98 | - | - | (0.14%) | 20.98 |
| 15 | RRK Finhold Private Limited | 0.01% | 8.51 | - | (0.23) | - | - | - | (0.23) |
| 16 | RVT Finhold Private Limited | 2.51% | 2,843.61 | 0.01% | (0.99) | - | - | 0.01% | (0.99) |
| 17 | RVT Media Private Limited | 9.35% | 10,593.35 | 0.02% | (3.23) | - | - | 0.02% | (3.23) |
| 18 | Setpro18 Distribution Limited | (0.14%) | (156.40) | (0.02%) | 3.06 | - | - | (0.02%) | 3.06 |
| 19 | TV18 Broadcast Limited | 334.68% | 3,79,261.00 | (62.36%) | 9,637.00 | (17.95%) | (91.00) | (63.86%) | 9,546.00 |
| 20 | TV18 Home Shopping Network Limited** | - | - | 30.06% | (4,645.52) | 7.43% | 37.67 | 30.83% | (4,607.85) |
| 21 | Viacom18 Media Private Limited* | 110.44% | 1,25,153.30 | (4.32%) | 668.35 | 25.15% | 127.51 | (5.32%) | 795.86 |
| 22 | Web18 Software Services Limited | (0.04%) | (42.70) | 0.01% | (1.47) | - | - | 0.01% | (1.47) |
| **Foreign** | | | | | | | | | |
| 1 | E-18 Limited | 9.55% | 10,822.65 | 0.08% | (13.01) | 53.88% | 273.17 | (1.74%) | 260.16 |
| 2 | Ibn18 Mauritius Limited | 29.76% | 33,723.24 | (5.22%) | 806.49 | - | - | (5.40%) | 806.49 |
| 3 | Indiacast UK Limited* | 0.56% | 636.73 | 0.12% | (18.34) | - | - | 0.12% | (18.34) |
| 4 | Indiacast US Limited* | 0.26% | 299.18 | 0.06% | (9.19) | - | - | 0.06% | (9.19) |
| 5 | Network18 Holdings Limited | (4.04%) | (4,578.82) | 1.85% | (286.18) | - | - | 1.91% | (286.18) |
| 6 | NW18 HSN Holdings Plc ** | - | - | 4.67% | (721.94) | - | - | 4.83% | (721.94) |
| 7 | Roptonal Limited* | 28.39% | 32,168.14 | 0.11% | (16.49) | - | - | 0.11% | (16.49) |
| 8 | Television Eighteen Mauritius Limited | 2.21% | 2,504.04 | (0.17%) | 26.02 | - | - | (0.17%) | 26.02 |
| 9 | Television Eighteen Media and Investments Limited | 23.88% | 27,056.64 | 4.00% | (617.88) | - | - | 4.13% | (617.88) |
| 10 | Viacom18 Media (UK) Limited* | (0.38%) | (433.71) | 0.01% | (2.12) | - | - | 0.01% | (2.12) |
| 11 | Viacom18 US Inc.* | (0.70%) | (793.49) | 0.02% | (2.52) | - | - | 0.02% | (2.52) |
| 12 | Web18 Holdings Limited | 19.85% | 22,490.83 | 0.04% | (6.50) | - | - | 0.04% | (6.50) |
| **Non-controlling Interest in all subsidiaries** | | (201.93%) | (2,28,822.00) | (12.90%) | 1,993.00 | (44.97%) | (228.00) | (11.81%) | 1,765.00 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

## Note 40 Statement of Net assets and Profit and Loss and other comprehensive income attributable to Owners and Non-controlling interest. (Contd.)

| Sr. No. | Name of the Enterprise | Net Assets ie Total Assets minus Total Liabilities | | Share in Profit or loss (PAT) | | Share in Other Comprehensive income | | Share in Total Comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated Net Assets | Amount ₹ in lakh | As % of consolidated Profit or Loss | Amount ₹ in lakh | As % of consolidated Other Comprehensive Income | Amount ₹ in lakh | As % of consolidated Total Comprehensive Income | Amount ₹ in lakh |
| **Joint Ventures** | | | | | | | | | |
| **Indian** | | | | | | | | | |
| 1 | IBN Lokmat News Private Limited | (1.15%) | (1,298.30) | (0.16%) | 24.41 | (1.87%) | (9.47) | (0.10%) | 14.94 |
| 2 | Viacom18 Media Private Limited* | - | - | (24.62%) | 3,804.28 | (5.71%) | (28.94) | (25.26%) | 3,775.34 |
| 3 | Indiacast Media Distribution Private Limited* | - | - | 0.20% | (30.59) | - | - | 0.20% | (30.59) |
| 4 | Ubona Technologies Private Limited | 0.58% | 656.14 | (0.25%) | 38.87 | (1.10%) | (5.58) | (0.22%) | 33.29 |
| **Foreign** | | | | | | | | | |
| 1 | Viacom18 Media (UK) Limited* | - | - | 0.03% | (4.29) | - | - | 0.03% | (4.29) |
| 2 | Viacom18 US Inc.* | - | - | 0.03% | (3.89) | - | - | 0.03% | (3.89) |
| 3 | Roptonal Limited* | - | - | 0.70% | (107.98) | - | - | 0.72% | (107.98) |
| 4 | Indiacast UK Limited* | - | - | (0.88%) | 136.42 | - | - | (0.91%) | 136.42 |
| 5 | Indiacast US Limited* | - | - | (0.30%) | 46.93 | - | - | (0.31%) | 46.93 |
| **Associates** | | | | | | | | | |
| **Indian** | | | | | | | | | |
| 1 | 24 X 7 Learning Private Limited @ | - | - | - | - | - | - | - | - |
| 2 | Aeon Learning Private Limited | 0.07% | 81.52 | - | - | - | - | - | - |
| 3 | Big Tree Entertainment Private Limited | 13.66% | 15,481.11 | 35.46% | (5,479.80) | (6.92%) | (35.06) | 36.89% | (5,514.86) |
| 4 | Dyulok Technologies Private Limited# | 0.16% | 186.49 | 0.30% | (46.13) | - | - | 0.31% | (46.13) |
| 5 | Eenadu Television Private Limited | 17.06% | 19,335.83 | (17.44%) | 2,695.96 | 5.29% | 26.84 | (18.22%) | 2,722.80 |
| 6 | Fantain Sports Private Limited # | 0.07% | 75.70 | 0.91% | (140.92) | 0.02% | 0.09 | 0.94% | (140.83) |
| 7 | Foodfesta Wellcare Pvt Ltd# | 0.01% | 6.59 | 0.59% | (91.09) | - | - | 0.61% | (91.09) |
| 8 | Spacebound Web labs Private Limited # | (0.01%) | (10.87) | (0.01%) | 1.97 | - | - | (0.01%) | 1.97 |
| 9 | Shop CJ Network Private Limited | 0.97% | 1,093.62 | 0.97% | (150.22) | - | - | 1.00% | (150.22) |
| 10 | TV18 Home Shopping Network Limited** | 11.75% | 13,312.82 | 1.97% | (304.16) | 0.22% | 1.12 | 2.03% | (303.04) |
| **Foreign** | | | | | | | | | |
| 1 | Big Tree Entertainment Singapore PTE Limited# | 1.06% | 1,204.44 | 0.05% | (8.48) | - | - | 0.06% | (8.48) |
| 2 | Big Tree Entertainment Lanka (Pvt) Limited# | (0.01%) | (6.74) | 0.08% | (12.40) | - | - | 0.08% | (12.40) |
| 3 | Big Tree Entertainment DMCC# | - | 1.17 | 0.01% | (2.28) | - | - | 0.02% | (2.28) |
| 4 | NW18 HSN Holdings Plc** | 22.34% | 25,318.22 | (0.08%) | 13.03 | - | - | (0.09%) | 13.03 |
| 5 | PT Big Tree Entertainment Indonesia # | (0.13%) | (145.07) | 3.20% | (495.29) | - | - | 3.31% | (495.29) |
| 6 | Townscript Inc. USA# | - | (0.01) | - | (0.04) | - | - | - | (0.04) |
| | Adjustments arising out of consolidation | (678.63%) | (7,69,028.99) | (2.66%) | 411.65 | 45.42% | 230.16 | (4.29%) | 641.81 |
| | **Total** | **100.00%** | **1,13,320.00** | **100.00%** | **(15,455.00)** | **100.00%** | **507.00** | **100.00%** | **(14,948.00)** |

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

** Accounted as Associate w.e.f. 15th February, 2018, earlier these were consolidated as subsidairies.

\# These are Subsidiaries of Big Tree Entertainment Private Limited.

@ is in the process of liquidation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 41 In the previous year 2016-17, the Group received 90,96,333 Equity Shares of ₹ 10 each and 2,078 Optionally Convertible Non-Cumulative Redeemable Preference shares (0.001%) of ₹ 10 each of Viacom18 Media Private Limited ("Viacom18") (erstwhile Joint venture), pursuant to the Scheme of Amalgamation and Arrangement for merger of Prism TV Private Limited (joint venture of Equator, a wholly owned subsidiary of the Group) and Viacom18, approved by the Honorable High Court of Judicature at Bombay on 12th August, 2016.

Note 42 TV18 Home Shopping Network Limited ("HomeShop18") was a subsidiary of the Group, held directly / indirectly through its subsidiary NW18 HSN Holdings Plc. ("HSN Plc").

During the year, the Company, other shareholders of HSN Plc and shareholders of Shop CJ Network Private Limited ("Shop CJ") entered into agreement, subject to various preconditions, inter alia, to combine the business of HomeShop18 and Shop CJ and to infuse further capital. Upon consummation of the transaction and issuance of shares in HomeShop 18 to shareholders of Shop CJ, it became a subsidiary of HomeShop 18 with it ceasing to be a subsidiary of the Group with effect from 15th February, 2018. Consequently, the Group de-consolidated HomeShop 18 and has accounted for its investments in HomeShop 18 and Shop CJ using equity method.

This combination makes HomeShop18 the largest TV home-shopping network in India. The resultant benefits of scale shall better the growth prospects for the combined entity, allowing it to improve its standing in the TV home-shopping landscape and compete better with the challenge from e-commerce companies.

Note 43 Consequent to Viacom18 and IndiaCast Media becoming subsidiary and Homeshop18 and HSN Plc ceasing to be subsidiary during the year, the figures for the current year are not comparable with those of the earlier year.

Note 44 The financial statements were approved for issue by the Board of Directors on 24th April, 2018.

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

| | | | |
|---|---|---|---|
| **Adil Zainulbhai**<br>Chairman<br>DIN: 06646490 | **Dhruv Subodh Kaji**<br>Director<br>DIN:00192559 | **P.M.S. Prasad**<br>Director<br>DIN: 00012144 | **Jyoti Deshpande**<br>Director<br>DIN: 02303283 |
| **Nirupama Rao**<br>Director<br>DIN: 06954879 | **Ramesh Kumar Damani**<br>Chief Financial Officer | **Ratnesh Rukhariyar**<br>Company Secretary | |

Place: Mumbai
Date: 24th April, 2018

## FORM AOC-1

**[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014]**

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

## Part "A" : Subsidiaries

₹ in lakh
Foreign curreny in million

| Sr No. | Name of Subsidiary Company | The date since which subsidiary was acquired | Reporting Currency | Share Capital | Other Equity | Total Assets | Total Liabilities | Investments | Turnover | Profit Before Taxation | Provision for Taxation | Profit After Taxation | Other Comprehensive income | Total Comprehensive income | Proposed Dividend | % of Share holding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | AETN18 Media Private Limited | 21.09.2010 | INR | 5,597.95 | 1,204.83 | 11,761.87 | 4,959.09 | 2,423.72 | 8,249.10 | (859.20) | - | (859.20) | (3.16) | (862.36) | - | 26.09% |
| 2 | Capital18 Fincap Private Limited | 10.06.2011 | INR | 1.00 | 9,569.19 | 9,619.06 | 48.87 | 8,638.46 | - | 80.51 | 20.72 | 59.79 | 84.84 | 144.63 | - | 100.00% |
| 3 | Colosceum Media Private Limited | 10.06.2011 | INR | 117.65 | 1,706.26 | 2,550.70 | 726.79 | 1,291.57 | 5,583.50 | 352.96 | 135.14 | 217.82 | (0.90) | 216.92 | - | 100.00% |
| 4 | Digital18 Media Limited | 10.06.2011 | INR | 5.00 | 590.09 | 1,930.28 | 1,335.19 | - | 2,490.98 | 148.58 | - | 148.58 | (5.11) | 143.47 | | 100.00% |
| 5 | E-18 Limited | 10.06.2011 | INR | 136.58 | 10,686.07 | 10,829.16 | 6.50 | 7,941.38 | - | (13.01) | - | (13.01) | 273.17 | 260.16 | - | 100.00% |
| | | | USD | 0.21 | 16.43 | 16.65 | 0.01 | 12.21 | - | (0.02) | - | (0.02) | 0.42 | 0.40 | | |
| 6 | e-Eighteen.com Limited | 10.06.2011 | INR | 540.00 | 7,967.00 | 12,923.00 | 4,416.00 | 1,449.00 | 8,423.00 | 2,200.00 | 740.00 | 1,460.00 | (19.00) | 1,441.00 | - | 91.95% |
| 7 | Equator Trading Enterprises Private Limited | 22.01.2014 | INR | 20,000.00 | 1,13,844.95 | 1,33,849.99 | 5.04 | 1,33,849.50 | 0.33 | (15.13) | - | (15.13) | - | (15.13) | - | 51.16% |
| 8 | Greycells18 Media Limited | 10.06.2011 | INR | 1,163.80 | (2,549.67) | 472.04 | 1,857.91 | - | 463.36 | (476.22) | - | (476.22) | 2.81 | (473.41) | - | 74.22% |
| 9 | ibn18 (Mauritius) Limited | 01.04.2009 | INR | 36,585.00 | (2,861.76) | 33,749.26 | 26.02 | - | - | 832.51 | 26.02 | 806.49 | - | 806.49 | - | 51.16% |
| | | | USD | 56.25 | (4.40) | 51.89 | 0.04 | - | - | 1.28 | 0.04 | 1.24 | - | 1.24 | - | |
| 10 | IBN Lokmat News Private Limited# | 29.04.2014 | INR | 862.50 | (2,160.80) | 1,522.65 | 2,820.95 | 933.06 | 1,432.25 | 58.24 | 33.83 | 24.41 | (9.47) | 14.94 | - | 25.58% |
| 11 | IndiaCast Media Distribution Private Limited | 29.04.2014 | INR | 45.60 | 7,120.12 | 45,080.12 | 37,914.40 | 103.12 | 28,618.73 | 100.30 | 73.93 | 26.37 | 16.76 | 43.13 | | 38.63% |
| 12 | IndiaCast UK Limited | 29.04.2014 | INR | 55.37 | 581.36 | 6,653.39 | 6,016.66 | - | 14,469.50 | 221.47 | 55.37 | 166.10 | - | 166.10 | - | 38.63% |
| | | | GBP | 0.06 | 0.63 | 7.21 | 6.52 | - | 15.68 | 0.24 | 0.06 | 0.18 | | 0.18 | - | |
| 13 | IndiaCast US Limited | 29.04.2014 | INR | 65.04 | 234.14 | 2,543.06 | 2,243.88 | - | 8,767.39 | 78.05 | 26.02 | 52.03 | - | 52.03 | - | 38.63% |
| | | | USD | 0.10 | 0.36 | 3.91 | 3.45 | | 13.48 | 0.12 | 0.04 | 0.08 | | 0.08 | | |
| 14 | Infomedia Press Limited | 10.06.2011 | INR | 5,019.42 | (8,413.91) | 889.02 | 4,283.51 | - | - | (310.45) | - | (310.45) | 0.02 | (310.43) | | 50.69% |
| 15 | Moneycontrol Dot Com India Limited | 10.06.2011 | INR | 30.00 | (5.18) | 57.57 | 32.75 | 27.84 | 28.70 | (0.37) | (0.27) | (0.10) | - | (0.10) | - | 91.95% |
| 16 | Network18 Holdings Limited | 12.02.2007 | INR | 975.60 | (5,554.42) | 41,326.42 | 45,905.24 | 9,040.56 | - | (286.18) | - | (286.18) | - | (286.18) | - | 100.00% |
| | | | USD | 1.50 | (8.54) | 63.54 | 70.58 | 13.90 | - | (0.44) | - | (0.44) | - | (0.44) | - | |
| 17 | Panorama Television Private Limited | 22.01.2014 | INR | 2,495.96 | (20,012.56) | 21,661.86 | 39,178.46 | - | 21,493.50 | (16,401.56) | - | (16,401.56) | 5.23 | (16,396.33) | | 51.16% |
| 18 | Reed Infomedia India Private Limited | 14.03.2014 | INR | 1,000.00 | (1,002.24) | 2.57 | 4.81 | - | - | (2.89) | - | (2.89) | - | (2.89) | | 100.00% |
| 19 | Roptonal Limited | 29.04.2014 | INR | 5.39 | 32,162.75 | 32,199.92 | 31.78 | - | - | 329.65 | 97.20 | 232.45 | - | 232.45 | - | 26.09% |
| | | | GBP | 0.01 | 34.85 | 34.89 | 0.03 | - | - | 0.36 | 0.11 | 0.25 | - | 0.25 | - | |

₹ in lakh
Foreign curreny in million

| Sr No. | Name of Subsidiary Company | The date since which subsidiary was acquired | Reporting Currency | Share Capital | Other Equity | Total Assets | Total Liabilities | Investments | Turnover | Profit Before Taxation | Provision for Taxation | Profit After Taxation | Other Comprehensive income | Total Comprehensive income | Proposed Dividend | % of Share holding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 20 | RRB Investments Private Limited | 10.06.2011 | INR | 1.00 | 662.24 | 2,879.27 | 2,216.03 | 2,759.74 | - | 21.33 | 0.35 | 20.98 | - | 20.98 | - | 100.00% |
| 21 | RRK Finhold Private Limited | 10.06.2011 | INR | 1.00 | 7.51 | 9.18 | 0.67 | 8.75 | 0.25 | (0.23) | - | (0.23) | - | (0.23) | - | 100.00% |
| 22 | RVT Finhold Private Limited | 10.06.2011 | INR | 1.00 | 2,842.61 | 2,849.27 | 5.66 | 2,848.97 | - | (0.99) | - | (0.99) | - | (0.99) | - | 100.00% |
| 23 | RVT Media Private Limited | 01.01.2008 | INR | 9.66 | 10,583.69 | 10,596.96 | 3.61 | 10,596.40 | 0.15 | (3.23) | - | (3.23) | - | (3.23) | - | 51.16% |
| 24 | Setpro18 Distribution Limited | 02.05.2005 | INR | 34.00 | (190.40) | 1,104.65 | 1,261.05 | 38.29 | 1.74 | 3.67 | 0.61 | 3.06 | - | 3.06 | - | 100.00% |
| 25 | Television Eighteen Media and Investments Limited | 10.06.2011 | INR | 65.04 | 26,991.60 | 52,051.51 | 24,994.87 | 51,147.46 | - | (617.88) | - | (617.88) | - | (617.88) | - | 100.00% |
| | | | USD | 0.10 | 41.50 | 80.03 | 38.43 | 78.64 | - | (0.95) | - | (0.95) | - | (0.95) | - | |
| 26 | Television Eighteen Mauritius Limited | 10.06.2011 | INR | 7,999.92 | (5,495.88) | 6,217.82 | 3,713.78 | 3,447.12 | - | 26.02 | - | 26.02 | - | 26.02 | - | 100.00% |
| | | | USD | 12.30 | (8.45) | 9.56 | 5.71 | 5.30 | - | 0.04 | - | 0.04 | - | 0.04 | - | |
| 27 | TV18 Broadcast Limited | 27.09.2006 | INR | 34,287.00 | 3,44,974.00 | 4,39,697.00 | 60,436.00 | 3,55,952.00 | 73,545.00 | 14,869.00 | 5,232.00 | 9,637.00 | (91.00) | 9,546.00 | - | 51.16% |
| 28 | Web18 Holdings Limited | 10.06.2011 | INR | 273.17 | 22,217.66 | 22,497.33 | 6.50 | 21,775.39 | - | (6.50) | - | (6.50) | - | (6.50) | - | 100.00% |
| | | | USD | 0.42 | 34.16 | 34.59 | 0.01 | 33.48 | - | (0.01) | | (0.01) | | (0.01) | | |
| 29 | Web 18 Software Services Limited | 10.06.2011 | INR | 49.15 | (91.85) | 0.11 | 42.81 | - | - | (1.47) | - | (1.47) | - | (1.47) | - | 100.00% |
| 30 | Viacom18 Media (UK) Limited | 29.04.2014 | INR | 0.00 | (433.72) | 341.44 | 775.16 | - | - | (9.23) | - | (9.23) | - | (9.23) | - | 26.09% |
| | | | GBP | 0.00 | (0.47) | 0.37 | 0.84 | - | - | (0.01) | - | (0.01) | - | (0.01) | - | |
| 31 | Viacom18 Media Private Limited | 29.04.2014 | INR | 11,373.00 | 1,13,780.30 | 3,43,658.50 | 2,18,505.20 | 36,595.30 | 3,68,542.30 | 10,848.30 | 2,571.50 | 8,276.80 | 69.60 | 8,346.40 | - | 26.09% |
| 32 | Viacom18 US Inc | 29.04.2014 | INR | 0.00 | (793.49) | 156.10 | 949.59 | - | - | (13.01) | - | (13.01) | - | (13.01) | - | 26.09% |
| | | | USD | 0.00 | (1.22) | 0.24 | 1.46 | - | - | (0.02) | - | (0.02) | - | (0.02) | - | |

# Considered 50%
As on 31.03.2018 : 1US$ = ₹ 65.04, 1GBP = ₹ 92.28

## Part "B" : Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act 2013 related to Associate Companies and Joint Ventures

₹ in lakh

| Sr. No. | Name of Associates/Joint Ventures | Latest audited Balance Sheet Date | Date on which the Associate or Joint Venture was associated or acquired | Shares of Associate/Joint Ventures held by the company on the year end | | | Net-worth attributable to Shareholding as per latest audited Balance Sheet | Profit/Loss for the year | | Description of how there is significant influence | Reason why the associate/ joint venture is not consolidated |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | No. | Amount of Investment in Associates/ Joint Venture | Extent of Holding % | | Considered in Consolidation | Not Considered in Consolidation | | |
| | **Associates** | | | | | | | | | | |
| 1 | Aeon Learning Private Limited* | 31.03.2018 | 29.11.2013 | 1,00,000 | - | 20.47% | 81.52 | - | - | Note - A | - |
| 2 | Big Tree Entertainment Private Limited | 31.03.2018 | 10.06.2011 | 22,99,842 | 25,837.23 | 39.07% | 15,481.11 | (5,479.80) | - | Note - A | - |
| 3 | Eenadu Television Private Limited | 31.03.2018 | 22.01.2014 | 60,94,190 | 23,299.00 | 24.50% | 19,335.83 | 2,695.96 | - | Note - A | - |
| 4 | 24 X 7 Learning Private Limited* | 31.03.2017 | 10.06.2011 | 6,45,558 | - | 37.23% | - | - | - | Note - A | - |
| 5 | TV18 Home Shopping Network Limited** | 31.03.2018 | 15.02.2018 | 7,67,196 | 45,299.00 | 43.64% | 13,312.82 | (4,949.68) | - | Note - A | |
| 6 | NW18 HSN Holdings PLC** | 31.03.2018 | 15.02.2018 | 92,62,233 | 9,038.44 | 41.20% | 25,318.22 | (708.91) | - | Note - A | |
| | **Joint Venture** | | | | | | | | | | |
| 1 | Ubona Technologies Private Limited | 31.03.2018 | 10.06.2011 | 10,821 | 400.00 | 50.00% | 656.14 | 38.87 | - | Note - A | - |

Note A - There is significant influence due to percentage(%) of Share Capital.
* The Company is holding the mentioned number of shares but the same has been written off and shown at Nominal value.
** Accounted as Associate w.e.f. 15th February, 2018, earlier these were consolidated as subsidiaries

For and on behalf of the Board of Directors
**Network18 Media & Investments Limited**

**Adil Zainulbhai**
Chairman
DIN: 06646490

**Dhruv Subodh Kaji**
Director
DIN:00192559

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

**Jyoti Deshpande**
Director
DIN: 02303283

**Nirupama Rao**
Director
DIN: 06954879

**Ramesh Kumar Damani**
Chief Financial Officer

**Ratnesh Rukhariyar**
Company Secretary

Place: Mumbai
Date: 24th April, 2018

# NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of **Network18 Media & Investments Limited** ("**the Company**") will be held on Friday, August 17, 2018 at 11.30 a.m. (IST) or soon after conclusion of Annual General Meeting of TV18 Broadcast Limited convened on the same day, whichever is later at Y. B. Chavan Centre – Auditorium, Yashwantrao Chavan Pratishthan, Gen. Jagannathrao Bhosale Marg, Opposite to Mantralaya, Next to Sachivalaya Gymkhana, Nariman Point, Mumbai – 400 021, to transact the following business:

## ORDINARY BUSINESS:

1. To consider and adopt:
   (a) the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon; and

   (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon;

   and in this regard to pass the following resolutions as **Ordinary Resolutions**:

   (a) "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

   (b) "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint Mr. P.M.S. Prasad (DIN: 00012144), who retires by rotation at this Annual General Meeting, as Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. P.M.S. Prasad (DIN: 00012144), who retires by rotation at this Annual General Meeting, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

## SPECIAL BUSINESS:

3. To appoint Ms. Jyoti Deshpande (DIN: 02303283) as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Jyoti Deshpande (DIN: 02303283), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

4. To appoint Mr. Rahul Joshi (DIN: 07389787) as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Rahul Joshi (DIN: 07389787), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. To appoint Mr. Rahul Joshi (DIN: 07389787) as Managing Director and in this regard, pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members be and is hereby accorded to appoint Mr. Rahul Joshi (DIN: 07389787) as Managing Director of the Company, for a period of 3 (Three) years with effect

from July 9, 2018, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Rahul Joshi, subject to the same not exceeding the limits specified under the Act or any statutory modification or re-enactment(s) thereof;

**RESOLVED FURTHER THAT** in case of inadequacy of profit or no profit in any financial year, the Company shall pay remuneration to Managing Director within the limits set out under Section II of Part II of Schedule V to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To re-appoint Mr. Adil Zainulbhai (DIN: 06646490) as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Adil Zainulbhai (DIN: 06646490), Independent Director, who holds office upto July 6, 2019, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years upon expiry of his current term on July 6, 2019, that is, up to July 6, 2024."

7. To re-appoint Mr. Deepak Shantilal Parekh (DIN: 00009078) as an Independent Director and in this regard, pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Deepak Shantilal Parekh (DIN: 00009078), Independent Director, who holds office upto July 6, 2019, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years upon expiry of his current term on July 6, 2019, that is, up to July 6, 2024."

8. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2019 and in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 2,50,000/- (Rupees Two Lacs and Fifty Thousand only), excluding reimbursement of out of pocket expenses and applicable taxes, if any, thereon, as approved by the Board of Directors of the Company to be paid to M/s Pramod Chauhan & Associates, Cost Accountants (Firm Registration No. 000436), the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, be and is hereby ratified."

9. To approve offer or invitation to subscribe to Redeemable Non-Convertible Debentures on private placement and in this regard, pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the Members be and is

hereby accorded to authorize the Board of Directors of the Company to offer or invite subscriptions for secured/ unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating upto ₹ 1,000 crore (Rupees one thousand crores only), on private placement, from such persons and on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including, but not limited to, the issue price, manner of utilization of the issue proceeds and all matters connected therewith or incidental thereto;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

**By Order of the Board of Directors**
For **Network18 Media & Investments Limited**

**Ratnesh Rukhariyar**
Group Company Secretary

Place: Mumbai
Date: July 9, 2018

**Registered Office:**
Empire Complex, First Floor,
414, Senapati Bapat Marg, Lower Parel,
Mumbai, Maharashtra, 400013
Tel: +91 22 6666 7777 / 4001 9000
Website: www.network18online.com
Email: investors.n18@nw18.com

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.**

   **A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.**

   **A BLANK PROXY FORM IS ENCLOSED HEREWITH AND IF INTENDED TO BE USED, THE FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE HOLDER OF PROXY SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.**

2. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution / other valid authorization together with the specimen signatures of the representative(s) authorized under the said Board Resolution / authorization to attend and vote on their behalf at the Meeting.

3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Meeting is annexed hereto.

4. In terms of the provisions of Section 152 of the Act, Mr. P.M.S. Prasad, Director, retires by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors commend his re-appointment. The details of Mr. P.M.S. Prasad as required to be disclosed under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2, are provided under Corporate Governance Report forming part of the Annual Report.

   Further, Mr. P.M.S. Prasad is interested in the Ordinary Resolution set out at Item No. 2 of the Notice with regard to his re-appointment. Save and except the above, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 and 2 of the Notice.

5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors who were appointed in the Annual General Meeting held on September 25, 2017.

6. **The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system**

**which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting.** Information and instructions including details of user id and password relating to e-voting are sent herewith**. Once the vote on a resolution is cast by member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. The members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.**

7. Members/Proxies/Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip and copies of Annual Report.

8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

9. Relevant documents referred to in the accompanying Notice shall remain open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. Copies of such document shall also be made available for inspection at the Meeting.

10. The Company's Registrar and Transfer Agent for its share registry (both, physical as well as electronic) is Karvy Computershare Private Limited ("Karvy") having its office at Karvy Selenium Tower B, 6th Floor, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 (Unit: Network18 Media & Investments Limited).

11. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their Depository Participants ("DPs") with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company or Karvy.

12. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 25, 2017 (date of last Annual General Meeting) on the website of the Company (www.network18online.com) and also on the website of the Ministry of Corporate Affairs.

**In accordance with the provisions of Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all equity shares in respect of which dividend remained unpaid or unclaimed for 7 (seven) consecutive years or more.**

**Members are advised to visit the weblink: http://www.network18online.com/noticesevents.html to ascertain details of shares transferred in the name of Investor Education and Protection Fund ("IEPF") Authority. The said details are also available at the website of IEPF Authority at www.iepf.gov.in**

**Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back. Members are advised to visit weblink: http://www.iepf.gov.in/IEPFA/refund.html or contact Karvy for lodging claim for refund of shares / dividends from the IEPF Authority.**

13. Members holding shares in electronic mode :
    (a) are requested to submit their Permanent Account Number ("PAN") to their respective DPs with whom they are maintaining their demat accounts, as mandated by Securities and Exchange Board of India ("SEBI") for every participant in securities market.
    (b) are advised to contact their respective DPs for availing nomination facility.

14. Members holding shares in physical form:
    (a) are required to submit their PAN to the Company/ Karvy, as mandated by the SEBI for every participant in securities market.
    (b) are advised to make nomination as per Section 72 of the Act and are requested to write to Karvy.

15. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to Karvy for consolidation into a single folio.

16. **SEBI has amended Regulation 40 of the Listing Regulations to provide that securities of listed companies can be transferred only in dematerialized form effective December 5, 2018. In view of above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.**

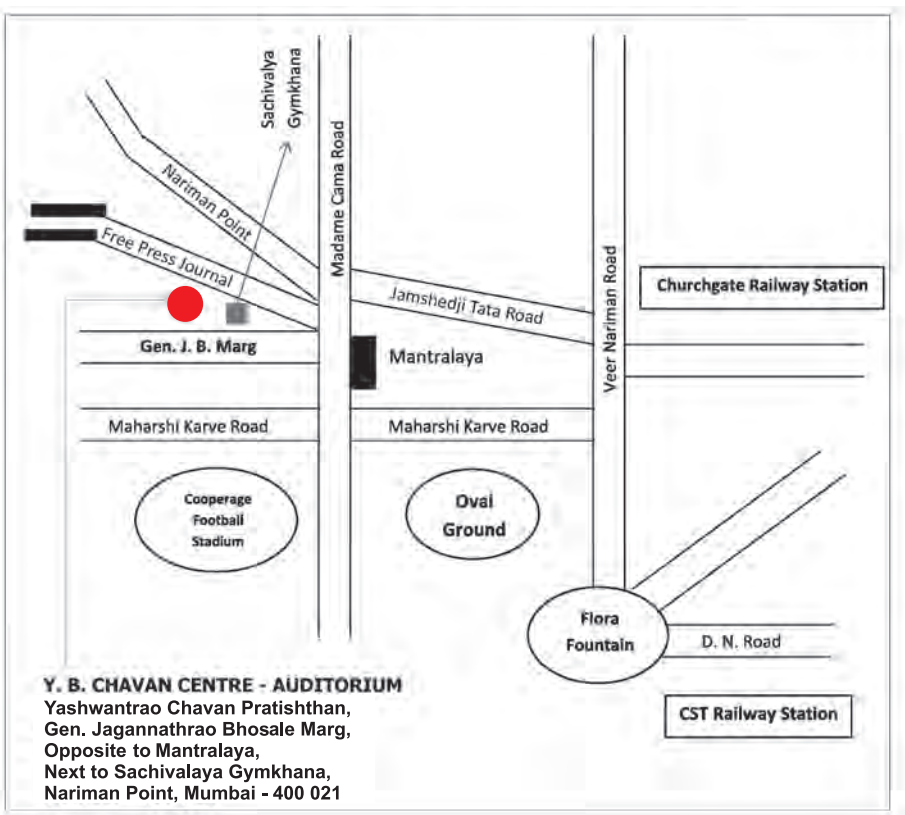
17. Non-Resident Indian members are requested to inform Karvy / respective DPs, immediately of:
    (a) Change in their residential status on return to India for permanent settlement.
    (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. **Members who have not registered / updated their e-mail addresses with Company / Karvy, if shares are held in physical mode, or with their DPs, if shares are held in electronic mode, are requested to register / update their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.**

19. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.

20. Attendance Slip, Proxy Form and the route map of the venue of the Meeting is annexed hereto. **The prominent landmark for the venue of the Meeting is Sachivalaya Gymkhana and Mantralaya**. The venue is near to these landmarks.

## ROUTE MAP OF THE VENUE




## Landmark

1) Sachivalaya Gymkhana
2) Mantralaya

## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE "ACT")

**The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:**

### Item No. 3:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company, appointed Ms. Jyoti Deshpande as an Additional Director on the Board of the Company w.e.f. March 21, 2018. She holds the office as an additional director up to the date of this Annual General Meeting.

Ms. Jyoti Deshpande is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Nomination and Remuneration Committee of the Board of Directors of the Company has recommended the appointment of Ms. Jyoti Deshpande as Director of the Company.

Ms. Jyoti Deshpande does not hold any share of the Company in her name. She is not related to any other Director or Key Managerial Personnel of the Company. Other details of Ms. Jyoti Deshpande as required to be disclosed under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, are provided under Corporate Governance Report forming part of the Annual Report.

Save and except Ms. Jyoti Deshpande and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

### Item No. 4 and 5

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company at its meeting held on July 9, 2018 has appointed Mr. Rahul Joshi as an Additional Director on the Board of the Company. The Board of Directors at the same meeting has, subject to approval of members, appointed Mr. Rahul Joshi as Managing Director (henceforth also referred to as the "Appointee") for a period of 3 (Three) years w.e.f. July 9, 2018 on the terms and conditions including remuneration as recommended by NRC of the Board.

It is proposed to seek members' approval, in terms of applicable provisions of the Act, for (a) appointment of Mr. Rahul Joshi as Director of the Company as per the resolution proposed at Item No. 4 and (b) Appointment of and remuneration payable to Mr. Rahul Joshi as Managing Director of the Company as per resolution proposed at Item No. 5 of the Notice.

Mr. Rahul Joshi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Broad particulars of the terms of appointment of, and remuneration payable to, Mr. Rahul Joshi as Managing Director, are stated as under:

a) **Salary, Perquisites and Allowances per annum:**

| Particulars | Amount in ₹ Crore |
|---|---|
| Salary | 4.65 |
| Perquisites and Allowances | 0.86 |

The perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. The Appointee is also entitled to medical reimbursement as per the policy of the Company for senior managerial executives.

b) The Company's contribution to provident fund, superannuation or annuity fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

c) Any increment in salary, perquisites, allowances and remuneration by way of incentive / bonus / performance linked incentive payable to Mr. Rahul Joshi, as may be determined by the Board and / or the NRC of the Board, shall be in addition to remuneration under (a) above and such increase shall be in accordance with the conditions and limits specified in the Act and Schedule V to the Act, as may be applicable.

d) It is clarified that employee stock option, if any, granted to Mr. Rahul Joshi as per the extant Scheme of the Company in future, shall not be considered as part of perquisites under (a) above and the perquisite value of stock options exercised shall be in addition to remuneration under (a) above.

e) **Reimbursement of Expenses:**

Expenses incurred for travelling, boarding and lodging during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.

f) **General:**

a. The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

b. The appointment as Managing Director will be for a period of 3 years. The Board may re-appoint Managing Director on or before expiry of his current term for further period, as may be decided by the Board, in accordance with the provisions of the Act, which shall be subject to approval by the members.

c. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.

d. In case of Managing Director is also appointed managerial personnel in any of the subsidiary companies, he can be paid remuneration from the Company or the subsidiary company or by both the companies, provided that the total remuneration drawn from the companies does not exceed the remuneration as set out in this Notice.

e. The Managing Director shall adhere to the Company's Code of Conduct.

f. The office of Managing Director may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.

In case of inadequacy of profit in any financial year, the overall remuneration payable every year to the Managing Director by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive etc., as the case may be, shall not exceed the limits of yearly remuneration specified in Section II of Part II of Schedule V to the Act, as amended.

Below are the disclosures as required inter alia under Schedule V to the Act and Secretarial Standards:

**(1) Information about the Company:**

a. Nature of Industry –
Network18 Media & Investments Limited is one of India's most diversified Media and Entertainment conglomerates. It has interests across television, digital content, filmed entertainment, e-commerce, magazines and allied businesses.

b. Date of Commencement of Commercial Production –
The Company started its operations in the year 1996

c. Financial Performance –
Financial Performance of the Company as on March 31, 2018 was as below:

- Total Revenue: ₹ 162.80 crore
- Profit before interest, depreciation and tax: ₹ 20.95 crore
- Loss for the year: ₹ 64.48 crore

d. Foreign Investments or Collaboration –
There is no foreign collaboration in the Company.

The equity shares of the Company is listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). As on March 31, 2018 total foreign shareholding in the Company was 3.76% of the total capital of the Company.

**(2) Information about the Appointee:**

Mr. Rahul Joshi, aged 48 years, has done his Masters in Management Studies from Narsee Monjee Institute of Management Studies (NMIMS), Mumbai University. Mr. Rahul Joshi is associated with Network18 Group since September, 2015 and is currently working as CEO - News & Group Editor in Chief. Prior to joining Network18 Group, Mr. Joshi worked as the editorial director of The Economic Times, Asia's largest selling financial daily. Mr. Joshi has also worked with The Indian Express in the past. Mr. Joshi spent more than two decades with Economic Times and rose through its ranks to quickly become one of India's youngest editors. He oversaw the paper's transformation from a narrow business and economic newspaper to a robust policy and political daily anchored in economics, business and entrepreneurship. During this time, he also launched the newspaper's sister channel ETNOW in 2009 and helped shape the digital coverage of ET online.

Mr. Rahul Joshi is also a Director of Viacom18 Media Private Limited, IndiaCast Media Distribution Private Limited and AETN18 Media Private Limited. He is also on the Board of News Broadcasters Association. He is a member of Nomination and Remuneration Committee of AETN18 Media Private Limited.

Considering his expertise in Media sector, the Board of Directors are of view that Mr. Rahul Joshi is suitable for the position of Managing Director of the Company and has accordingly recommended his appointment and remuneration as set out in this Notice for the approval of the members. In his role as CEO - News & Group Editor in Chief, he was drawing a remuneration of ₹ 5.51 crore p.a. The remuneration proposed to Mr. Rahul Joshi as Managing Director is as per industry standards considering the nature of business, profile, his experience and exposure.

Mr. Rahul Joshi is / has not been related to any of the directors or promoters of the Company, its parents or any of its subsidiaries. Further, he does not have any interest, directly or indirectly, in the capital of the Company, its parents or subsidiary companies. Apart from receiving remuneration, Mr. Rahul Joshi has no pecuniary relationship directly or indirectly with the Company.

**(3) Other Relevant Information:**

a. Reasons of loss or inadequate profits –

Network18 operates primarily in the digital and print media space and holds strategic interests in broadcasting and digital commerce properties. While digital media is a sunrise sector, currently the leading digital properties under Network18 make losses due to being in gestation. The print sector is facing headwinds globally, as viewership and engagement shifts to digital, leading to limited growth and low profitability. Investments held in digital commerce properties like BookMyShow and HomeShop18 face high competitive intensity and hence are loss-making and have periodic funding requirements leading to higher interest cost.

b. Steps taken or proposed to be taken for improvement –

Network18 is raising the competitive position of its digital properties, thereby enabling it to charge better rates. Its offerings are being revamped to increase engagement through high-impact brands and increased volume of content generation; as well as a sharp mobile-first approach which is the key to digital growth in India in our view.

c. Expected increase in productivity and profits –

Network18 is benefitting from the digital media sector witnessing high growth as the space matures, and advertisers as well as consumers become more comfortable with paying for advertising and subscription respectively.

Mr. Rahul Joshi satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Rahul Joshi under Section 190 of the Act.

Mr. Rahul Joshi is interested in the resolution set out at Item Nos. 4 and 5 of the Notice.

The relatives of Mr. Rahul Joshi may be deemed to be interested in the said resolutions of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 4 and 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice and Special Resolution set out at Item No. 5 of the Notice for approval by the members.

## Item No. 6 and 7

The Board of Directors of the Company had appointed Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh as Independent Directors of the Company for a term of 5 (five) years and they hold office as Independent Directors up to July 6, 2019.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of report of performance evaluation, has recommended re-appointment of Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh as Independent Directors for a second term of 5 (five) consecutive years.

Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. Further, the Company has received declarations from both of them that they meet the criteria of independence

as prescribed both under sub-section (6) of Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board, based on performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. In the opinion of the Board, Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh fulfill the conditions for their appointment as an Independent Directors as specified in the Act and the Listing Regulations. Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh are independent of the management.

Further, Mr. Deepak Shantilal Parekh, will attain the age of 75 years in October, 2019. Mr. Deepak Shantilal Parekh has rich and varied experience and it would be in the interest of the Company to continue to avail his considerable expertise even after he attains 75 years.

Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh do not hold any share of the Company in their name. They are not related to any other Director or Key Managerial Personnel of the Company. Other details of Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh, as stipulated under Listing Regulations and Secretarial Standard-2, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters of appointment of Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh as Independent Directors setting out the terms and conditions of appointment are available for inspection by members at the registered office of the Company.

Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh are interested in the resolutions set out respectively at Item Nos. 6 and 7 of the Notice with regard to their respective re-appointments. The relatives of Mr. Adil Zainulbhai and Mr. Deepak Shantilal Parekh may be deemed to be interested in respective resolutions, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 6 and 7 of the Notice.

This Statement may also be regarded as an appropriate disclosure under the Act and Listing Regulations.

The Board commends the Special Resolutions set out at Item Nos. 6 and 7 of the Notice for approval by the members.

## Item No. 8

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Pramod Chauhan & Associates, Cost Accountants, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019 as set out in the resolution.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019 by passing an Ordinary Resolution as set out at Item No. 8 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

## Item No. 9

The members of the Company at the previous Annual General Meeting held on September 25, 2017, had passed a Special Resolution authorising the Board of Directors of the Company to offer or invite subscriptions for redeemable non-convertible debentures, in one or more series/ tranches, aggregating upto ₹ 1,000 crore on private placement. The said resolution is valid and effective for 1 (one) year from September 25, 2017. The members may note that the Company has not made any private placement of redeemable non-convertible debentures pursuant to the said authorization.

In order to augment long term resources, the Board of Directors may, at an appropriate time, consider offering or inviting subscription for secured/unsecured redeemable non-convertible debentures, in one or more series/ tranches on private placement. Issuance of such debentures will be within the overall borrowing limits approved by the members of the Company at the Annual General Meeting held on September 30, 2014.

Sections 42 and 71 of the Act, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with private placement of securities by a Company. Rule 14 of the said Rules provides that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the Company shall obtain previous approval of its members by means of Special Resolution. Further, it shall be sufficient if the Company passes a Special Resolution only once in a year for all the offers or invitation for such non-convertible debentures during the year.

Keeping in view the above, consent of members is sought for passing the Special Resolution as set out in the Item No. 9 of the Notice. The resolution enables the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time upto ₹ 1,000 crore.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

**By Order of the Board of Directors**
For **Network18 Media & Investments Limited**

**Ratnesh Rukhariyar**
Group Company Secretary

Place: Mumbai
Date: July 9, 2018

**Registered Office:**
Empire Complex, First Floor,
414, Senapati Bapat Marg, Lower Parel,
Mumbai, Maharashtra, 400013
Tel: +91 22 6666 7777 / 4001 9000
Website: www.network18online.com
Email: investors.n18@nw18.com

Network 18

## NETWORK18 MEDIA & INVESTMENTS LIMITED

CIN - L65910MH1996PLC280969
Regd. Office: First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
Tel: +91 22 6666 7777, 4001 9000 Email: investors.n18@nw18.com
Website: www.network18online.com

## ATTENDANCE SLIP

Name of the sole / first named member: _____

Address of the sole / first named member: _____

Registered Folio No.: _____

DP ID No./Client ID No.*: _____

Number of shares held: _____

I hereby record my presence at the **23rd Annual General Meeting** of the members of the Company held on Friday, August 17, 2018 at 11.30 a.m. (IST) or soon after conclusion of Annual General Meeting of TV18 Broadcast Limited convened on the same day, whichever is later at Y. B. Chavan Centre – Auditorium, Yashwantrao Chavan Pratishthan, Gen. Jagannathrao Bhosale Marg, Opposite to Mantralaya, Next to Sachivalaya Gymkhana, Nariman Point, Mumbai – 400 021.

Signature of Member/Proxy present: _____

**Note:** Members are requested to fill up the attendance slip and hand it over at the venue of the meeting.
*Applicable for investors holding shares in electronic form.

Network 18

NETWORK18 MEDIA & INVESTMENTS LIMITED

CIN - L65910MH1996PLC280969
Regd. Office: First Floor, Empire Complex, 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
Tel: +91 22 6666 7777, 4001 9000 Email: investors.n18@nw18.com
Website: www.network18online.com

## PROXY FORM

**[FORM NO. MGT-11, Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of member: _____

Registered Address: _____

E-mail Id: _____

Folio No./ Client ID:* _____ DP ID:* _____

*Applicable for investors holding shares in electronic form.

I/We _____ being the member of _____ Equity Shares of Network18 Media & Investments Limited, hereby appoint:

1. Name: _____
   Address: _____
   E-mail Id: _____ Signature: _____ or failing him
2. Name: _____
   Address: _____
   E-mail Id: _____ Signature: _____ or failing him
3. Name: _____
   Address: _____
   E-mail Id: _____ Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23rd Annual General Meeting of the members of the Company to be held on Friday, August 17, 2018 at 11.30 a.m. (IST) or soon after conclusion of Annual General Meeting of TV18 Broadcast Limited convened on the same day, whichever is later at Y. B. Chavan Centre – Auditorium, Yashwantrao Chavan Pratishthan, Gen. Jagannathro Bhosale Marg, Opposite to Mantralaya, Next to Sachivalaya Gymkhana, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated in the box below:

| Item No. | Resolutions | Voting | |
|---|---|---|---|
| | | For | Against |
| 1. | Consideration and adoption of : | | |
| | a) Audited Financial Statement for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon | | |
| | b) Audited Consolidated Financial Statement for the Financial Year ended March 31, 2018 and the Report of the Auditors thereon | | |
| 2. | Appointment of Mr. P.M.S. Prasad, a Director retiring by rotation | | |
| 3. | Appointment of Ms. Jyoti Deshpande as a Director, liable to retire by rotation | | |
| 4. | Appointment of Mr. Rahul Joshi as a Director, liable to retire by rotation | | |
| 5. | Appointment of Mr. Rahul Joshi as Managing Director | | |
| 6. | Re-appointment of Mr. Adil Zainulbhai as an Independent Director | | |
| 7. | Re-appointment of Mr. Deepak Shantilal Parekh as an Independent Director | | |
| 8. | Ratification of the remuneration of the Cost Auditor for the Financial Year ending March 31, 2019 | | |
| 9. | Approval for offer or invitation to subscribe to Redeemable Non-Convertible Debentures on private placement | | |

**This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this _____ day of _____ 2018

Signature of Shareholder _____

Signature of Proxy Holder(s): 1.) _____ 2.) _____ 3.) _____

Affix ₹ 1 Revenue Stamp

**Notes:**

(1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**

(2) **A Proxy need not be a member of the Company and shall prove his/her identity at the time of attending the meeting.**

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

(4) Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes. When a member appoints a Proxy and both the member and Proxy attend the Meeting, the Proxy will stand automatically revoked.

(5) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

(6) This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

(7) This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.

(8) Undated proxy form will not be considered valid.

(9) If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

Network18

Network18 Media & Investments Limited

CIN: L65910MH1996PLC280969
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