ANNUAL REPORT 2012 - 13

Network 18

Enable
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Network 18 Media & Investments Limited.

Network18 Media & Investments Limited

BOARD OF DIRECTORS

Mr. Manoj Mohanka	Chairman
Mr. Raghav Bahl	Managing Director
Mr. Hari S. Bhartia	Director
Ms. Subhash Bahl	Director
Mr. Sanjay Ray Chaudhuri	Director
Ms. Vandana Malik	Director

NETWORK18 GROUP CEO

Mr. Saikumar Ganapathy Balasubramanian

NETWORK18 GROUP CFO

Mr. R.D.S. Bawa

NETWORK18 GROUP SR. VP-CORPORATE AFFAIRS

Mr. Anil Srivastava

COMPANY SECRETARY & AVP CORPORATE AFFAIRS

Mr. Yug Samrat

AUDITORS

M/s Walker, Chandiok & Co
Chartered Accountants

BANKERS

Syndicate Bank
Yes Bank Ltd.

REGISTERED OFFICE

503, 504 & 507, 5th Floor ,
'Mercantile House',
15, Kasturba Gandhi Marg,
New Delhi – 110001

CORPORATE OFFICE

Express Trade Tower,
Plot No. 15-16,
Sector-16A,
Noida – 201301 (U.P.)

REGISTRARS & SHARE TRANSFER AGENT

Karvy Computershare Private Limited,
Plot no. 17 - 24, Vittal Rao Nagar,
Madhapur, Hyderabad – 500 081
Tel No: +91 40 2342 0818,
Fax No +91 40 2342 0814,
Email-id: einward.ris@karvy.com
Website: karvycomputershare.com

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Notice

Notice is hereby given that the 18th Annual General Meeting of the Members of **Network18 Media & Investments Limited ("the Company")** will be held on Monday, 29th day of July, 2013 at 4.00 P.M. at MPCU, Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Niwas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi–110 054 to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2013 and the Statement of Profit and Loss for the year ended March 31, 2013, together with the report of the Director's and Auditor's thereon.

2. To appoint a director in place of Mr. Hari. S. Bhartia, who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a director in place of Ms. Vandana Malik, who retires by rotation and being eligible, offers herself for re-appointment.

4. To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard, if thought fit, to pass with or without modifications, the following as an **Ordinary Resolution**:

"RESOLVED THAT subject to the provisions of Sections 224, 225 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Walker, Chandiok & Co, Chartered Accountants, (Registration No. 001076N) New Delhi, be and are hereby re- appointed as the Statutory Auditors of the Company to hold of ce from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors**."**

By order of the Board of Director
For **Network 18 Media & Investments Limited**

Place: Noida
Date: May 13, 2013.

Yug Samrat
Company Secretary &
AVP Corporate Affairs

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED HEREWITH (PAGE NO. 185) 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 TIME OF COMMENCEMENT OF THE MEETING.**

2. Members/ Proxy are requested to bring a copy of this notice as no copies will be made available at the Meeting. Photocopies of the admission slip will not be allowed for admission to the meeting venue. Those Members who have not received a copy of Annual Report can collect their copy from the Registered Of ce of the Company.

3. Members/ Proxies should complete and hand over duly signed attendance slips at the Meeting to record their attendance.

4. Corporate Members are required to send a duly certified copy of the Board Resolution/ Power of Attorney/other valid authority, authorising their representative to attend and vote at the Meeting, pursuant to Section 187 of the Companies Act, 1956.

5. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to write to the Company's Registrar M/s Karvy Computershares Private Limited (Karvy).

6. The Registers of Members will be closed from 22nd July 2013 to 29th July 2013 (both days inclusive) for the purposes of the Annual General Meeting. The Transfer Books of the Company will also remain closed for the aforesaid period.

7. All documents referred to in the accompanying notice are available for inspection at the Registered Of ce of the Company during working days between 10.00 A.M. to 1.00 P.M., except holidays, up to the date of the Meeting.

8. Any query related to the accounts may be sent at the Registered Of ce of the Company at least 10 days before the date of the Meeting.

9. Members who hold shares in physical form in multiple folios or joint accounts in the same order of names are requested to send the share certificates to Karvy for consolidation into a single folio.

10. Relevant details in respect of Director (s) proposed to be appointed/re-appointed, including brief resume, their expertise in specific functional area, names of other companies in which they are directors or committee members, in terms of Clause 49 of the Listing Agreement, are provided in the Corporate Governance Report forming part of the Annual Report.

11. Certificate from the Statutory Auditors of the Company certifying that the Employees Stock Option Plans of the Company have been implemented in accordance with the provisions of the Securities and Exchange Board of India (ESOP & ESPS) Guidelines 1999 and shareholders resolution(s) shall be placed before the Meeting.

12. Register of Directors' Shareholding pursuant to Section 307 of the Companies Act 1956 shall be kept open and accessible at the Meeting for the inspection of the persons having right to attend the Meeting.

13. To support the green initiative of the MCA whole heartedly, members, who have not registered their e-mail addresses so far for receiving the Annual Report and other communication from the Company electronically, are requested to register the same. **In this regard a consent to receive Annual Report, notice and other communication in electronic mode, is given at page no. 183 of the Annual Report. Members are requested to send the same to the Company at its registered office or Karvy.**

14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants 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 immediately to the Company / Karvy.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Karvy.

16. **SEBI, with intent to promote the use of electronic payment system, has directed all the listed companies, vide its circular no. CIR/MRD/DP/10/2013 dated March 21, 2013, to obtain the bank details of all its investors for enabling fund transfer, if any, through ECS, NEFT, RTGS etc. Accordingly, you are requested to update/register your bank details viz. Bank Account no., MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. with your DP that are required for making electronic payment and also provide the same either to the Company or Karvy.**

Directors' Report

Dear Shareholders,

Network18 Media & Investments Limited.

Your Directors are pleased to present their 18th Annual Report together with the Audited Statement of Accounts for the Year ended March 31, 2013.

Financial Results

The financial performance of your Company on standalone basis for the year ended March 31, 2013 is summarized below:

Amount in Rs.

PARTICULARS	2012-13	2011-12
Profit/ (Loss) before interest and depreciation	**875,421,307**	(517,176,967)
Interest and finance charges	**1,068,649,856**	1,306,801,367
Depreciation	**105,861,505**	88,150,795
Net operating profit before tax	**(299,090,054)**	(1,912,129,129)
Provision for taxes/deferred taxes	**-**	7,176,267
Net profit/ (loss) after tax	**(299,090,054)**	(1,919,305,396)

During the year under review, the Company recorded a turnover of Rs**.** 278.90 Crs (Pr. Yr. 264.65 Crs.) and recorded EBDIT of Rs. 87.54 (Pr. Yr. (51.72) Crs.). The improvement in EBDIT was largely driven by the profitable sale of non-core assets in line with the company's stated objective to focus on the core television and digital businesses. These included the sale of the company's stake in Newswire18 Ltd., sale of the Yellow Pages and Ask Me businesses and sale of the company's remaining stake in DEN Networks Limited.

Dividend

In view of the losses for the year ended March 31, 2013 and accumulated losses, the Board of Directors of your Company is constrained to recommend any dividend for the year under review.

Transfer to Reserves

The Company has not made any transfer to the reserves during the financial year ended March 31, 2013.

Management's discussion and analysis report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report. Details of major subsidiaries of the Company and their business operations during the year under review are also covered in the Management's Discussion and Analysis Report.

Deposits

Your Company wishes to inform you that the earlier Fixed Deposits Scheme under Section 58A of the Companies Act, 1956 launched by your Company in January 2010 was well supported by public and shareholders. Your Company had a total of Rs. 242.71 Crores under the Fixed Deposit Scheme as on March 31, 2013. There was no failure by the Company in repayment of interest due on Fixed Deposits. Your Company has sent reminders to 1977 Deposit Holders, who have not claimed repayment of their fixed deposits, which became due on March 31, 2013, amounting to Rs. 12.12 Crores.

ICRA has given credit rating as "MA –" (Pronounced as MA minus) with **"Stable"** outlook for the Fixed Deposits Scheme of the Company. Further the Board of Directors, on the basis of condensed audited Balance Sheet as on December 31, 2012, issued a fresh advertisement for inviting deposits from public and shareholders. In terms of the said advertisement, your company can raise a total of 1196.70 Crores through the Fixed Deposit Scheme.

Completion of the rights issue of Equity Shares aggregating to Rs. 26,996.22 Million and change in capital structure.

Your Company had successfully completed the Rights Issue of 89,98,73,930 fully paid up equity shares of the face value of Rs. 5/- each at a price of Rs. 30/- per share (including premium of Rs. 25/- per share) aggregating to Rs. 2,699.62 Crores offered in the ratio of 50: 307. The issue was opened on September 18, 2012 and closed on October 4, 2012 and in this regard, out of the proceeds of the Rights Issue Rs. 2,439.17 Crores has been utilized for stated objects and remaining unutilized amount has been kept in liquid Mutual Funds/Deposits with Banks.

Post rights issue, shareholding of Promoters and Promoters group had reached 73% (763,896,237 shares) of the post issue capital.

Post rights issue, the paid up share capital of the Company has increased from Rs. 7,327.96 Lakhs to Rs. 52321.66 Lakhs. Further, in order to accommodate the rights issue the Authorised Share Capital of your Company has been increased to Rs. 2736,50,00,000/- (Rupees Two Thousand Seven Hundred Thirty Six Crore and Fifty Lacs only) divided into 500,00,00,000 (Five Hundred Crores Only) equity shares of face value of Rs. 5/- (Rupees Five only) each; 11,00,000 (Eleven Lacs Only) Preference Shares of Rs.100/- each; 1,05,00,000 (One Crore and Five Lacs) Preference Shares of Rs.200/- each and 1,55,00,000 (One Crore and Fifty Five Lacs Only) Preference Shares of Rs.10/- each.

Redemption of the Preference Shares and secured optionally fully convertible debentures (SOFCDS)

The Company, on May 13, 2013, has redeemed 5% 10,284,379 Non-Convertible Cumulative Preference Shares (NCCPS) of Rs. 150/- each (NSE Scrip Code- Network18, BSE Scrip Code- 700132, ISIN Code-INE870H03019) at par in accordance with the terms of the issue. The Company's liability to the Preference Shareholders towards their rights including for payment of dividend or otherwise stand extinguished from the date of redemption, in all events and on the Company dispatching the redemption amounts to the Preference Shareholders.

The Company has also redeemed 18,691,585 10% Secured

Optionally Fully Convertible Debentures (SOFCDs) of a par value of Rs. 160.50 per SOFCDs on October 12, 2012, which were allotted to certain Promoters and Promoter Group entities.

Employee Stock Option Plan

Human Resource is the key to the success of any organization. The Company has always valued its human resources and had tried to adopt the best HR practices. During the year, exercise period for 91,540 options was expiring. However, due to global turmoil and downfall in Indian Stock Market, the price of the scrip(s)/share(s) of the Company had rendered the options unattractive and unviable to exercise. In order to uphold the basic objective of ESOP Scheme i.e. rewarding the deserving employees and in their beneficial interest, exercise period for the aforesaid options were extended for a further period of one year.

The Particulars of options issued under the Employee Stock Option Plans as required by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are given in **Annexure–I** and form part of this report. The Company has implemented the Employees Stock Options Schemes in accordance with the SEBI Guidelines and the resolutions passed by the Shareholders. Certificate(s) confirming the same shall be placed before the Annual General Meeting for inspection.

Corporate Governance

Corporate Governance is about commitment to values and about ethical business conduct. It stems from the culture and mindset of a management; hence, measures of Corporate Governance should be more by self-discipline than by legislation and regulation.

Your Company strives for excellence with the objective of enhancing shareholders' value and protecting the interest of shareholders. Your company ensures the practice of the Principles of Good Corporate Governance. Decisions are based on a set of principles influenced by the values, context and culture of the organization. All functions of the Company are discharged in a professionally sound, competent and transparent manner.

The detailed Corporate Governance Report of the Company in pursuance of Clause 49 of the Listing Agreement forms part of the Annual Report of the Company. The requisite Certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

Directors

Mr. Hari.S.Bhartia and Ms. Vandana Malik, directors of the Company are liable to retire by rotation at the forthcoming 18th Annual General Meeting of the Company. However, being eligible they have offered themselves for re-appointment. Accordingly the Board recommends their re-appointment.

Brief resume of aforesaid Directors, proposed to be re-appointed, the nature of their expertise in specific functional areas and name of Companies in which they hold directorships and chairmanship/ memberships of Board Committees as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India are provided in the 'Report on Corporate Governance' forming part of this report.

Consolidated Financial Statements

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Joint Ventures, the audited Consolidated Financial Statements for the year ended March 31, 2013 are provided in the Annual Report.

Subsidiaries

The Ministry of Corporate Affairs, Government of India vide its Circular no. 51/12/2007-CL-III dated February 8, 2011 has granted general exemption under section 212(8) of the Companies Act, 1956 from attaching the Directors' Report, Balance Sheet, Statement of Profit & Loss and the Report of Auditors of the Subsidiary Companies with the Balance Sheet of the Company. The annual accounts of these subsidiary companies and the related detailed information will be made available to the shareholders seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any investor at its registered of ce and that of the concerned subsidiary companies. The Company shall also furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

A statement of your Company's interest in its Subsidiary Companies is attached as Annexure – II to the Directors' Report in terms of the provisions of Section 212 of the Companies Act, 1956.

During the last fiscal, the Board of Directors of TV18 Broadcast Limited (TV18), a subsidiary company, had announced the plan of the Company to enter into the fast growing space of regional television through the acquisition of ETV Channels. During the year under review, TV18 had remitted Rs. 1950 Crores to Arimas Trading Private Limited for the purpose of acquisition of Equity Securities of Equator Trading Private Limited. Equity Securities are yet to be transferred in the name of TV18, pending completion of legal formalities.

During the year under review TV18 raised Rs. 2699.16 Crores by successfully completing the Rights Issue of its 134,95,77,882 equity shares issued at Rs. 20/- per share to its existing equity shareholders in the ratio of forty one equity shares for every eleven equity shares held on Record Date i.e. September 17, 2012. The said Rights Issue was opened on September 25, 2012 and closed on October 15, 2012. Shares were allotted on October 23, 2012.

Transfer of amounts to investor education and protection fund

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

Directors' Responsibility Statement

Pursuant to the provision of Section 217 (2AA) of the Companies Act, 1956 as amended, your Directors confirm:

i) that in the preparation of the annual accounts for the financial year ended March 31, 2013, the applicable Accounting Standards have been followed;

ii) that 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 at the end of the financial year and of profit or loss of the Company for the year under review;

iii) that the Directors have taken proper and suf cient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that the Directors have prepared the accounts for the financial year ended March 31, 2013 on a 'going concern' basis.

Auditors & Auditors' Report

The Statutory Auditors, M/s Walker, Chandiok & Co, Chartered Accountants, New Delhi retire at the forthcoming Annual General Meeting and are being eligible for re-appointment. The Board recommends the re-appointment of M/s Walker, Chandiok & Co, Chartered Accountants, New Delhi as the statutory auditors of the Company, who have given their consent to act as such and a certificate to the effect that their appointment, if made, will be within the limits specified under Section 224 (1B) of the Companies Act, 1956.

Explanation to Auditor's Comment

In regard to reservations/qualifications in the Auditors' Report, the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments of Directors. However, your Directors wish to offer the explanations in regard to note no. 6 of the Auditors Report. It is clarified that the Central Government has partially accepted the Company's application for approval of the remuneration paid to the Managing Director and the Company has filed a representation for reconsideration of the matter and approval is awaited.

Cost Auditors & Compliance Report & Cost Audit Report

Your Company had appointed, M/s Pramod Chauhan & Associates, Cost Accountants, as the Cost Auditor of the Company for the financial year 2012-13 for conducting the audit of the Cost Records of the Company. The Company is required to submit the Cost Audit Report for the F.Y. 2012-13 with the Central Government by 30th September 2013, and the same shall be filed in the due course. Further the Company has filed the Compliance Report pertaining to cost records for the Financial Year 2011-12 on January 24, 2013, which was required to be submitted with the Central Government by 28th February, 2013.

Particulars of Employees

In terms of the Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the name and other particulars of the employees are set out in the Annexure to the Directors' Report. However, having regard to the provisions of Section 219(1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled to receive the annual report of the Company. Any members interested in obtaining such particulars may write to the Company at its Registered Of ce. The aforesaid information shall be made available at the Registered of ce of the Company during the working hours except public holidays.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the report of the Board of Directors) Rules, 1988 the following information is provided**:**

a) Conservation of Energy

Your Company is not an energy intensive unit, however regular efforts are made to conserve the energy.

b) Research and Development

The Company continuously makes efforts towards research and developmental activities whereby it can improve the quality and productivity of its programmes.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and expenditure appear in Notes No. 41 and 40 of the 'Notes to the Accounts' forming part of the Audited Annual Account.

d) Technology Absorption

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

Acknowledgement

Your Directors take this opportunity to place on record their deep appreciation for the continuous support extended by all the employees, Shareholders of the Company, various Government Departments and Bankers towards conducting the operation of the Company ef ciently.

For and on behalf of the Board

Place : Noida
Date : May 13, 2013

Manoj Mohanka
Chairman

Annexure "I" to the Directors' Report

Annexure "I" to the Director's Report

Information regarding the Employees Stock Option Schemes/ Employees Stock Purchase Plan as on March 31, 2013 in terms of Regulation 12 and 19 of SEBI (Employees Stock Option and Employees Stock Purchase Scheme) Guidelines, 1999

(a)	**Options granted/ Shares issued**	
	Name of Scheme	**No. of shares granted/ shares issued**
	Network18 Employee Stock Option Plan 2007	-
(b)	**Pricing Formula**	
	Name of Scheme	**No. of shares granted/ shares issued Pricing**
	Network18 Employee Stock Option Plan 2007	-
(c)	**Options vested during the year**	322,718
(d)	**Options exercised during the year**	-
(e)	**Total no. of shares arising as a result of exercise of options**	-
(f)	**Options lapsed during the year**	331,239
(g)	**Variation in terms of options**	-
(h)	**Money realised by exercise of options (Rs. in lakhs)**	-
(I)	**Total no. of options in force**	1,182,712
(j)	(i) **Options shares granted to key managerial persons**	Nil
	(ii) Employees who have been granted 5% or more , of the options during the year :	Nil
	(iii) None of the employees were granted options during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant	Nil
(k)	(i) Basic Earnings per share (in Rs.)	(0.52)
	(ii) Diluted Earnings per share (in Rs.)	(0.52)
(l)	Computation of employee compensation cost and effect on profit and EPS	
	(i) Method of calculation of employee compensation cost	Intrinsic Value
	(ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost to P & L accouint if the company had used fair value of the Options (in Rs. lakhs)	5.39
	(iii) The impact of this difference on the profits and EPS of the Company	5.39
	Profit after tax (Rs. in lakhs)	(2,990.90)
	Less: Additional employee compensation cost based on fair value (Rs. in lakhs)	5.39
	Adjusted Profit after Tax (Rs. in lakhs)	(2,996.29)
	Adjusted Basic EPS	(0.53)
	Adjusted Diluted EPS	(0.53)
(m)	Weighted average exercise price and fair value of the stock options granted at a price below market price :	Nil
(n)	**Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information**	N.A
	As per Grant Date	
	Risk free rate of interest (in %)	N.A
	Expected life of the options from the date of grant (in Years)	N.A
	Expected volatility (in %)	N.A
	Dividend yield (in %)	N.A

Annexure "II" to the Directors' Report

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

1	**Name of the subsidiary**			**TV18 Broadcast Limited (formerly ibn18 Broadcast Limited)**	**RVT Media Private Limited**	**IndiaCast Media Distribution Private Limited**	**I C Media Distribution Services Private Limited**
2	Financial year of the subsidiary ended on			31.03.2013	31.03.2013	31.03.2013	31.03.2013
3	Shares of the subsidiary held by the company on the above date						
	a)	No. of Shares and face value		877,035,062 Equity shares of Rs. 2 each	96,615 Equity shares of Rs. 10 each	228,000 Equity Shares of Rs. 10/- each	10,000 Equity shares of Rs. 10/- each
	b)	Holding companies interest		51.24%	100.00%	100.00%	100.00%
4	Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:						
	(i)	Dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	NIL	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL	NIL
	(ii)	Not dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	52,384,493	(202,548)	(4,502,617)	(587,600)
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	(1,160,253,632)	(160,058)	NA	NA
5	Material changes in subsidiary between the end of its financial year and the financial year of the holding company						
	a)	Fixed Assets		N/A	N/A	N/A	N/A
	b)	Investments made		N/A	N/A	N/A	N/A
	c)	Money lent by subsidiary		N/A	N/A	N/A	N/A
	d)	Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.		N/A	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

1			**Name of the subsidiary**	**IndiaCast UK Limited**	**IndiaCast US Limited**	**ibn18 (Mauritius) Limited, Mauritius**	**AETN18 Media Private Limited**
2			Financial year of the subsidiary ended on	31.03.2013	31.03.2013	31.03.2013	31.03.2013
3			Shares of the subsidiary held by the company on the above date				
	a)		No. of Shares and face value	60,000 Ordinary Shares of 1 GBP each	100,000 Common Stock of USD1 each	100 Equity shares of US$1 each	23,967,836 Equity shares of Rs. 10/- each
	b)		Holding companies interest	100.00%	100.00%	100.00%	51.00%
4			Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:				
	(i)		Dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	NIL	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL	NIL
	(ii)		Not dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	(115,536)	(200,383)	59,816,128	(174,754,716)
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NA	NA	(584,269,171)	(262,473,003)
5			Material changes in subsidiary between the end of its financial year and the financial year of the holding company				
	a)		Fixed Assets	N/A	N/A	N/A	N/A
	b)		Investments made	N/A	N/A	N/A	N/A
	c)		Money lent by subsidiary	N/A	N/A	N/A	N/A
	d)		Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.	N/A	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

1			**Name of the subsidiary**	**Setpro18 Distribution Limited**	**Network 18 Holdings Limited, Mauritius**	**TV18 HSN Holdings Limited, Cyprus**	**TV 18 Home Shopping Network Limited**
2			Financial year of the subsidiary ended on	31.03.2013	31.03.2013	31.03.2013	31.03.2013
3			Shares of the subsidiary held by the company on the above date				
	a)		No. of Shares and face value	33,000 Equity shares of Rs 10 each	1,500,001 Equity shares of USD 1 each	46,308,665 ordinary shares of USD 0.04 each	1,240,791 Equity shares of Rs 10 each
	b)		Holding companies interest	66.00%	100.00%	52.77%	100.00%
4			Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:				
	(i)		Dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	NIL	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL	NIL
	(ii)		Not dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	2,708,264	(137,518,712)	(21,681,538)	(633,511,127)
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	(15,419,401)	1,117,100,271	(42,294,221)	(2,278,280,190)
5			Material changes in subsidiary between the end of its financial year and the financial year of the holding company				
	a)		Fixed Assets	N/A	N/A	N/A	N/A
	b)		Investments made	N/A	N/A	N/A	N/A
	c)		Money lent by subsidiary	N/A	N/A	N/A	N/A
	d)		Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.	N/A	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

1			Name of the subsidiary	Capital18 Fincap Private Limited	RRK Finhold Private Limited	RVT Finhold Private Limited	Greycells18 Media Limited
2			Financial year of the subsidiary ended on	31.03.2013	31.03.2013	31.03.2013	31.03.2013
3			Shares of the subsidiary held by the company on the above date				
	a)		No. of Shares and face value	10,000 Equity Shares of Rs.10/- each	10,000 Equity Shares of Rs.10/- each	10,000 Equity Shares of Rs. 10 each	5,284,498 Equity Shares of Rs.10/- each
	b)		Holding companies interest	100.00%	100.00%	100.00%	57.61%
4			Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:				
	(i)		Dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	NIL	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL	NIL
	(ii)		Not dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	(21,508,127)	(39,766)	(2,194,465)	(7,252,413)
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	3,378,108	(36,380)	(45,421)	(35,562,979)
5			Material changes in subsidiary between the end of its financial year and the financial year of the holding company				
	a)		Fixed Assets	N/A	N/A	N/A	N/A
	b)		Investments made	N/A	N/A	N/A	N/A
	c)		Money lent by subsidiary	N/A	N/A	N/A	N/A
	d)		Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.	N/A	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

				Colosceum Media Private Limited	Stargaze Entertain-ment Private Limited	Television Eighteen Mauritius Ltd.	Television Eighteen Media and Investments Ltd.,Mauritius
1	**Name of the subsidiary**			**Colosceum Media Private Limited**	**Stargaze Entertain-ment Private Limited**	**Television Eighteen Mauritius Ltd.**	**Television Eighteen Media and Investments Ltd.,Mauritius**
2	Financial year of the subsidiary ended on			31.03.2013	31.03.2013	31.03.2013	31.03.2013
3	Shares of the subsidiary held by the company on the above date						
	a)	No. of Shares and face value		1,082,330 Equity Shares of Rs. 10/- each	80,000 Equity Shares of Rs. 10/- each	12,295,000 Equity Shares of USD 1/- each	1,00,001 Equity Shares of USD 1/- each
	b)	Holding companies interest		92.00%	89.00%	100.00%	100.00%
4	Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:						
	(i)	Dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	NIL	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL	NIL
	(ii)	Not dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	(21,295,882)	2,963,658.17	(63,534,184)	(49,147,153)
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	(14,292,072)	(17,256,373)	(166,815,659)	(92,350,323)
5	Material changes in subsidiary between the end of its financial year and the financial year of the holding company						
	a)	Fixed Assets		N/A	N/A	N/A	N/A
	b)	Investments made		N/A	N/A	N/A	N/A
	c)	Money lent by subsidiary		N/A	N/A	N/A	N/A
	d)	Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.		N/A	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

				Capital 18 Limited, Mauritius	BK Holdings Limited	Web18 Holdings Ltd., Cyprus	E-18 Limited , Cyprus
1	**Name of the subsidiary**			**Capital 18 Limited, Mauritius**	**BK Holdings Limited**	**Web18 Holdings Ltd., Cyprus**	**E-18 Limited , Cyprus**
2	Financial year of the subsidiary ended on			31.03.2013	31.03.2013	31.03.2013	31.03.2013
3	Shares of the subsidiary held by the company on the above date						
	a)	No. of Shares and face value		1 Equity Shares of USD 1/- each	5000 Equity Shares of USD 1/- each*	107,248,888 Ordinary Shares of USD 0.00374 each	3,899 Equity shares of USD 1/- each*
	b)	Holding companies interest		100.00%	100.00%	94.94%	100.00%
4	Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:						
	(i)	Dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	NIL	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL	NIL
	(ii)	Not dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	(30,960,023)	(135,912,518)	(23,838,717)	465,038,438
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	51,691,427	(938,490,891)	(207,874,214)	(1,326,092,872)
5	Material changes in subsidiary between the end of its financial year and the financial year of the holding company						
	a)	Fixed Assets		N/A	N/A	N/A	N/A
	b)	Investments made		N/A	N/A	N/A	N/A
	c)	Money lent by subsidiary		N/A	N/A	N/A	N/A
	d)	Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.		N/A	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

				e-Eighteen.com Ltd.	Money Control Dot Com India Ltd.	Web18 Software Services Ltd.	Namono Investments Ltd.
1	**Name of the subsidiary**			**e-Eighteen.com Ltd.**	**Money Control Dot Com India Ltd.**	**Web18 Software Services Ltd.**	**Namono Investments Ltd.**
2	Financial year of the subsidiary ended on			31.03.2013	31.03.2013	31.03.2013	31.03.2013
3	Shares of the subsidiary held by the company on the above date						
	a)	No. of Shares and face value		4,968,902 Equity shares of Rs. 10/- each	500,000 Equity share of Rs. 1/- each	491,489 Equity shares of Rs. 10/- each	1 Equity share of Euro 1/- each
	b)	Holding companies interest		91.95%	100.00%	100.00%	100.00%
4	Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:						
	(i)	Dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	NIL	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL	NIL
	(ii)	Not dealt with in the Holding Company's accounts:					
		a)	For the financial year of the subsidiary	3,764,472	(826,736)	(916,434)	2,442,608
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	(5,550,819)	(127,773)	(2,396,352,674)	(3,116,571)
5	Material changes in subsidiary between the end of its financial year and the financial year of the holding company						
	a)	Fixed Assets		N/A	N/A	N/A	N/A
	b)	Investments made		N/A	N/A	N/A	N/A
	c)	Money lent by subsidiary		N/A	N/A	N/A	N/A
	d)	Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.		N/A	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

1			**Name of the subsidiary**	**TV18 UK Limited, UK**	**Infomedia Press Limited**	**Digital18 Media Limited**
2			Financial year of the subsidiary ended on	31.03.2013	31.03.2013	31.03.2013
3			Shares of the subsidiary held by the company on the above date			
	a)		No. of Shares and face value	1 Equity share of GBP 1/- each*	23,913,061 Equity Shares of Rs. 10/- each*	50,000 Equity Shares of Rs. 10/- each*
	b)		Holding companies interest	100.00%	47.64%	100.00%
4			Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:			
	(i)		Dealt with in the Holding Company's accounts:			
		a)	For the financial year of the subsidiary	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL
	(ii)		Not dealt with in the Holding Company's accounts:			
		a)	For the financial year of the subsidiary	480,073	(115,413,265)	(20,067,926)
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	3,002,872	(1,182,556,798)	(94,146,462)
5			Material changes in subsidiary between the end of its financial year and the financial year of the holding company			
	a)		Fixed Assets	N/A	N/A	N/A
	b)		Investments made	N/A	N/A	N/A
	c)		Money lent by subsidiary	N/A	N/A	N/A
	d)		Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.	N/A	N/A	N/A

Annexure "II" to the Director's Report
Statement pursuant to Section 212 of the Companies Act, 1956

1	**Name of the subsidiary**			**RRB Investments Private Limited**	**Webchutney Studio Private Limited#**	**Blue Slate Media Private Limited**
2	Financial year of the subsidiary ended on			31.03.2013	31.03.2013	31.03.2013
3	Shares of the subsidiary held by the company on the above date					
	a)	No. of Shares and face value		10,000 Equity Shares of Rs.10/- each	230,410 Equity Shares of Rs. 10/- each	1,000 Equity Shares of Rs. 10/- each
	b)	Holding companies interest		100.00%	70.06%	100.00%
4	Net aggregate amount of Profit/ Loss of the subsidiary so far as they concern members of the Holding company:					
	(i)	Dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	NIL	NIL	NIL
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	NIL	NIL	NIL
	(ii)	Not dealt with in the Holding Company's accounts:				
		a)	For the financial year of the subsidiary	(819,518)	(1,225,146)	231,766
		b)	For the Previous Financial years since it become Holding Company's Subsidiary	220,316,372	44,522,346	1,446,899
5	Material changes in subsidiary between the end of its financial year and the financial year of the holding company					
	a)	Fixed Assets		N/A	N/A	N/A
	b)	Investments made		N/A	N/A	N/A
	c)	Money lent by subsidiary		N/A	N/A	N/A
	d)	Money borrowed by the subsidiary for any purpose other than that of meeting current liablities.		N/A	N/A	N/A

Management Discussion and Analysis Report

Industry Status[1]

The Indian Media & Entertainment (M&E) industry grew from INR 728 billion in 2011 to INR 821 billion in 2012, registering an overall growth of 12.6 percent. Given the impetus introduced by digitization, continued growth of regional media, upcoming elections, strength in the film sector and fast increasing new media businesses, the industry is estimated to achieve a growth rate of 11.8 percent in 2013 to touch INR 917 billion. The sector is projected to grow at a healthy CAGR of 15.2 percent to reach INR 1661 billion by 2017 (Source: FICCI KPMG Report 2013)

Overall Industry Size (INR Bn)*	2008	2009	2010	2011	2012	Growth in 2012 over 2011	2013 P	2014 P	2015 P	2016 P	2017 P	CAGR (2010-15)
Television	241	257	297	329	370	12.5%	420	501	607	725	848	18.0%
Print	172	175	193	209	224	7.3%	241	261	286	311.2	340	8.7%
Film	104	89	83	93	112	21.0%	122	138	154	171.7	193	11.5%
Radio	8	8	10	12	13	10.4%	14	15	19	22.7	27	16.6%
Music	7	8	9	9	11	18.1%	12	13	15	18.3	23	16.2%
Out of Home	16	14	17	18	18	2.4%	19	21	23	25	27	8.4%
Animation & VFX	18	20	24	31	35	13.9%	41	47	54	63.1	73	15.8%
Gaming	7	8	10	13	15	17.7%	20	24	31	36.2	42	22.4%
Digital Advertising	6	8	10	15	22	40.9%	28	37	49	65.1	87	32.1%
Total	**580**	**587**	**652**	**728**	**821**	**12.6%**	**917**	**1059**	**1238**	**1438**	**1661**	**15.2%**

(Source: FICCI-KPMG Report 2013)

Industry Growth – Fundamental Drivers

The Indian media and entertainment industry has benefited from some fundamental growth drivers, which have facilitated its double digit growth in the past decade. They are categorized and summarized as follows:

- Evolving socio-economic environment in India – Led largely by a combination of two key macro factors, India has emerged as a growth engine for discretionary consumption products and services, especially media and entertainment. The first one is the favourable demographic composition of the nation, commonly referred to as the 'demographic dividend', which essentially implies that a large proportion of the country's populace is young and in the working age group, thus allowing for greater future consumption upside. Second, since liberalization, the country has witnessed economic growth, which has corresponded with the influx of foreign capital and brands as well as stronger integration with the global socio-economic environment. This has led to the emergence of an ever increasing large consuming class, with rising disposable incomes, which is globally aware and acquisitive in nature. While in the financial year 2012-2013, there was a considerable slowdown in the Indian economy, the growth impetus in the economy has not been eliminated.
- Television Digitization & the rise of a digital ecosystem –This has been a defining trend in the global media industry especially in TV, music and films and now it is becoming evident in India as well. From an enhanced consuming experience for the end-user to greater addressability and monetization potential for the content provider; digitization can be a great value creator across the value chain. Many digital platforms, ranging from digital cable, DTH, IPTV to digitization of films, print and online sales of music now exist. Digital technology continues to revolutionize media distribution – be it the rapid growth of DTH and digital cable, or increased digitization of film exhibition – and has enabled wider and more cost effective reach across diverse and regional markets, and the development of targeted media content. There has been increased proliferation and consumption of digital media content – be it newspapers and magazines, digital film prints, and online video and music or entirely new categories such as social media. For example, the print players are increasing becomingly available on the digital platforms in order to establish a connect with current readers as well as to establish a relationship with new readers. Accordingly, online advertising spends have seen a spurt in growth vis a vis spends on traditional media. At the same time, the ability to develop models that get consumers to pay for online content is still limited. Currently, advertising is the primary source of revenue online but new revenue models are likely to emerge as the payment infrastructure develops and consumers begin to pay for content. Going forward, the adoption of 3G and 4G services could further fuel broadband penetration and offer opportunities for scaling digital media businesses. The year 2012 heralded perhaps the most significant developments in the last decade for the cable television industry with the roll out of the mandatory Digital Addressable System (DAS). Phase 1 saw significant progress in implementation of mandatory digital access system (DAS) across the four metros. The industry now hopes to realize benefits over the medium term – including enhanced ability to monetize content, greater transparency and equitable revenue share across

[1] Source: FICCI KPMG Report 2013

the value chain, lower burden of carriage fees and hence increased ability to invest in differentiated and sophisticated content. Phase 2 digitization across the next 38 cities is anticipated to build further and make digital television a truly mass phenomenon in the country. Digital television provides the consumer access to a higher number of TV channels, customized tariffs, availability of broadband and other value-added-services, and enhanced user experience through better viewing quality and consumer service.

- Regionalization – This is another one of the most significant growth drivers for the industry. Regional television and print continued its strong growth trajectory owing to growth in incomes and consumption in the regional markets. National advertisers are looking at these markets as the next consumption hubs and local advertisers are learning the benefits of marketing their products. In order to tap the increasing regional budgets of the national advertisers and growing interests of local advertisers, media players are in expansion mode to increase their footprint in these regions.
- Growing importance of new media – Another key trend is the convergence and multi-platform presence of media services in the country. The rapid increase in mobile and wireless connections continued to drive the growth of internet penetration in India. With better access, through cheaper and smarter devices, audiences (especially youth) are consuming more content and are getting increasingly engaged. Over the past years, content providers have ensured that the same content is increasingly deployed across platforms, from television to online to mobile and beyond. Whether its e-papers or online streaming of shows or mobile based applications, the convergence of content across key "screens" is a defining phenomenon in the industry. Considering the growth in India's telecom and IT markets especially mobile and wireless market, this wave of convergence is bound to be strengthened. Availability of infrastructure and appropriately priced content across these new media platforms will be critical success factors for the Indian market. Going forward, better uptake of 3G connections and the beginnings of the 4G rollout are expected to spur growth further. 4G technology will enable greater uptake in services including Live TV, HD video/audio streaming, real time online gaming, high speed data downloads and uploads and could enable introduction of new innovative offerings.
- Pay-led Revenue Models – The Indian media & entertainment industry continues to be highly advertising dependent, especially from the content owner's perspective i.e. television and radio broadcasters, print and online publishers. Advertising spends are expected to grow at a CAGR of 14 percent to reach INR 630 billion in 2017. The media industry's ad revenue dependence is expected to continue for some time, largely due to the relatively low ARPUs on account of hyper competition and lower price elasticity of consumers. However, with digitisation and the growth in addressable media, revenue models based on end-user revenues are gaining traction. Audiences are becoming more willing to pay for content and value added services. Technology has enabled convenience and superior quality offerings to consumers who have responded positively. The growth in ticket prices of movies at multiplexes, increasing number of Pay-TV subscribers, increasing penetration of DTH with its user-friendly interface and technology, and introduction of Value Added Services (VAS) by media players are some examples of pay markets gaining importance.
- Narrowcasting – Over the past years, the media industry has also witnessed the emergence of niche services and brands. These niche offerings are highly focused channels, shows and formats which seek to segment audiences and deliver unique offerings to them based on their preferences. This has in turn allowed advertisers to reach out to their consumers more effectively. Narrowcasting is inextricably linked to the growth of addressable media in the country and the digital wave. A key outcome of the push in digitization will be the ability to increase production budgets and invest in differentiated genres and multilingual content. Digitization of distribution infrastructure in TV is also expected to improve broadcast economics, (with lower carriage fees, more equitable distribution of subscription revenues across the value chain and the ability to increase ARPUs). In turn this could drive more investments in production quality, and niche and targeted genres of content and packaging in the medium term.
- 360 degree connect with consumers - As consumers evolve and with India's growing young population, there is a heightened need to engage with them across platforms and experiences. There is a greater need for integration and innovation across traditional and new media, with changing media consumption habits and preferences for niche content.
- Regulatory and Policy Support - Regulatory interventions have been a key enabler of growth for the sector. Anticipated developments in 2013 such as continued cable DAS rollout, Phase 3 licensing for Radio and 4G rollout, will spur growth in the medium term.
- Other Key Enablers – Apart from the above, there are other important factors such as gradual de-regulation in industry policies, easier availability of institutional capital for funding growth and the opening up of global markets for Indian media content that have facilitated growth.

(Source: FICCI-KPMG Report 2013)

Opportunities, Growth Drivers and Concerns[2]

The Indian Entertainment and Media Industry is undergoing a structural shift in a converging media era where consumers are increasingly taking control of their media consumption. With the evolution of the industry, growth is increasingly being driven by increased consumer spending which has a large impact on revenue streams. Knowledge of evolving consumption trends will be a critical success factor in this scenario. The growth has been evident in varying proportions across the different segments of the Indian Entertainment and Media Industry i.e. Television, Print and Internet (Digital) being the major media in terms of size and growth rates apart from other segments such as radio, out of home, mobile.

We are a media and entertainment company in India, with interests in television, internet, filmed entertainment, digital commerce, magazines, mobile content and allied businesses. We broadcast television channels across genres such as news, general and factual entertainment. We entered the Internet industry in June 2000 and have since established a number of digital and mobile properties offering digital content and e-commerce, including home shopping and online ticketing. We also publish special interest business-to-consumer and business-to-business magazines and have a presence in film production and distribution. Through our subsidiary 'TV18 Broadcast Ltd.' [BSE: 532800, NSE: TV18BRDCST], we operate news channels - CNBC-TV18, CNBC Awaaz, CNBC-TV18 Prime HD, CNN-IBN, IBN7 and IBN-Lokmat (a Marathi regional news channel in partnership with the Lokmat group). TV18 also operates a joint venture with Viacom, called Viacom18, which houses a portfolio of popular entertainment channels – Colors, Colors HD, MTV, SONIC, Comedy Central, VH1, Nick. Nick Jr. and Nick Teen - and Viacom18 Motion Pictures, the group's filmed entertainment business. TV18 has also forayed into the Indian factual entertainment space through A+E Networks | TV18 (a joint venture between A+E Networks and TV18 Broadcast) and operates HistoryTV18. TV18 and Viacom18 have also formed a strategic joint venture called IndiaCast, a multi-platform 'content asset monetization' entity mandated to drive domestic and international channel distribution, placement services and content syndication for the bouquet of channels from TV18, Viacom18 and other broadcasters. Through 'Network18 Media & Investments Ltd.' [BSE: 532798, NSE: Network18], we operate our digital, publishing and digital commerce assets including moneycontrol.com, ibnlive.com, in.com and firstpost.com. 'Network18' also operates digital commerce properties like HomeShop18 and bookmyshow.com and publishes Forbes India, the nation's first local edition of a foreign news magazine title and one of the world's most influential business brands, in collaboration with Forbes Media. In addition, through 'Network18', the group operates Network18 Publishing, a player in the special interest publishing space as well as E18, the group's event management venture and Sport18, its sports management and marketing division. 'Network18' also has investments in Yatra, DEN Networks and other Capital18 portfolio companies.

The Indian Television Industry[3]

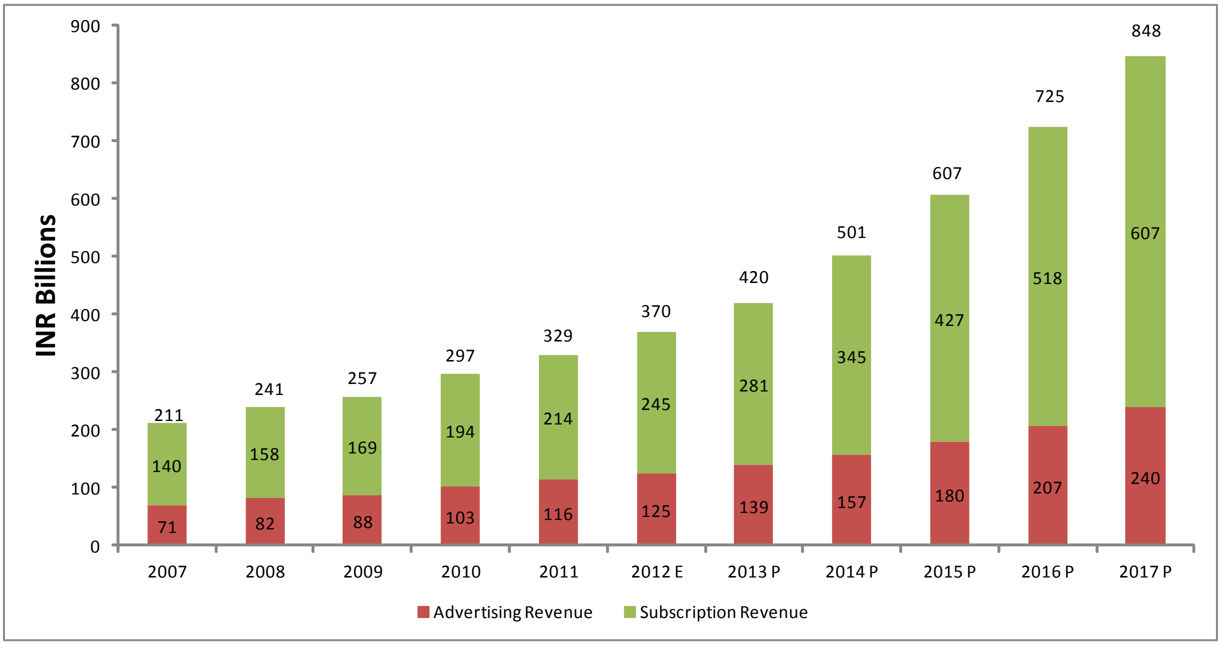
Television is the largest medium for media delivery in India in terms of revenue, representing around 45 percent of the total media industry. The TV industry continues to have headroom for further growth as television penetration in India is still at approximately 60 percent of total households. India continues to be the third largest TV market after USA and China with 153 million television households. Cable and Satellite (C&S) penetration of television households is close to 90 percent, with DTH driving a significant part of the growth in the last 12 months. With the ongoing digitization of all analog cable subscribers imminent, penetration level of digital households is expected to increase significantly, going forward. The overall television industry was estimated to be INR 370 billion in 2012, and is expected to grow at a CAGR of 18 percent over 2012-17, to reach INR 848 billion in 2017.

Through our subsidiary TV18 Broadcast Ltd, we operate one of India's popular television broadcasting networks. This includes one of India's leading news networks comprising channels such as CNBC-TV18, CNBC Awaaz, CNBC-TV18 Prime HD, CNN-IBN, IBN7 and IBN-Lokmat (a Marathi regional news channel in partnership with the Lokmat group). TV18 also operates a joint venture with Viacom, called Viacom18, which houses a portfolio of popular entertainment channels – Colors, Colors HD, MTV, SONIC, Comedy Central, VH1, Nick. Nick Jr. and Nick Teen - and Viacom18 Motion Pictures, the group's filmed entertainment business. TV18 has also forayed into the Indian factual entertainment space through A+E Networks | TV18 (a joint venture between A+E Networks and TV18 Broadcast) and operates HistoryTV18. TV18 and Viacom18 have also formed a strategic joint venture called IndiaCast, a multi-platform 'content asset monetization' entity mandated to drive domestic and international channels distribution, placement services and content syndication for the bouquet of channels from TV18, Viacom18 and other broadcasters.

2 Source: FICCI KPMG Report 2013

3 Source: FICCI KPMG Report 2013

TV INDUSTRY: REVENUE MIX



Source: KPMG Analysis, Industry Analysis

Key trends & growth drivers for the Indian Television Industry[4]

Following are the key trends that are likely to impact the television industry in the medium to long term:

❖ Significant potential for growth, based on TV penetration levels

India was estimated to have around 153 million TV households in 2013, which implies a TV penetration of approximately 60 percent. In 2017, TV penetration is estimated to rise to approximately 70 percent, which still offers potential for penetration-led growth (post 2016) as income levels rise, based on TV penetration levels in other mature as well as emerging economies.

❖ Digitisation – A paradigm shift

In the financial year 2012-2013, the television industry finally commenced the paradigm shift in the way business will be done going forward with the implementation of mandatory digital access system (DAS) across the four metros in phase 1 and phase 2 digitization across 38 cities. Cable operators in a DAS regime would be legally bound to transmit only digital signals. Subscribed channels can be received at the customer's premises only through a set-top-box equipped with a conditional access card, and a subscriber management system (SMS). In a nutshell, each user in the network would be uniquely identifiable to the service provider. Digital television is expected to provide the consumer access to a higher number of TV channels, customized tariffs, availability of broadband and other value-added-services, and enhanced user experience through better viewing quality and consumer service. The impact of DAS implementation will be fundamental to the growth of the industry. In a nutshell, the following trends are expected:

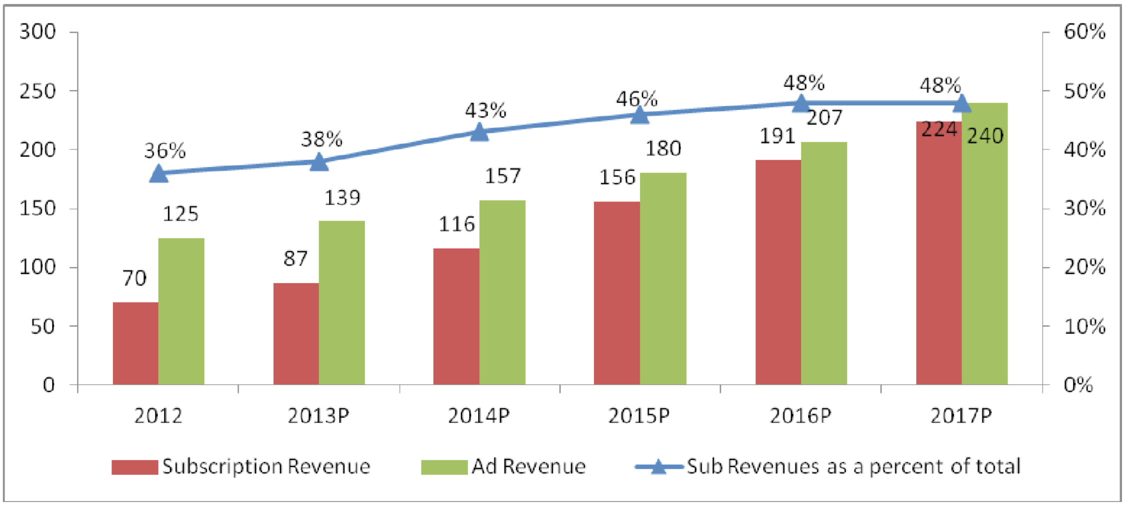
o Broadcasters to benefit from increased subscription revenues: Addressability is expected to increase the revenue share of broadcasters, leading to a significant increase in subscription revenue uptakes for broadcasters. Subscription revenue for broadcasters is estimated to grow at a CAGR of 26 percent from 2012 to 2017. Increase in the declared subscriber base and aggregation of distribution on behalf of broadcasters is expected to drive up the share of subscription to total broadcaster revenue from 36 percent in 2012 to 48 percent in 2016. (Source: FICCI KPMG Report 2013). For mature broadcasters, a

4 Source: FICCI KPMG Report 2013

significant share of subscription revenues is expected to flow to the bottom line. While broadcasters re-align their revenue model, decreasing dependence on advertisement revenues, sustaining strong subscription revenues builds a case for the launch of niche channels and investment in content for existing channels. Digitization provides an opportunity for the number of channels to go up and the niche channels to increase their offerings

- o Developments and refinements in viewership measurement systems may also affect the way advertising is distributed among channels.
- o Apart from subscription revenues, a medium term correction in broadcast carriage fees is also expected as a result of the on-going digitisation drive. A shift to digital removes the bandwidth constraints of analog cable, and the number of channels that may be carried increases significantly However, placement is expected to remain crucial even on a digital platform, and a decline in the carriage fee may be offset to some extent by an increase in the placement fee.

TV BROADCAST INDUSTRY REVENUES



❖ Slowdown impacts advertising revenues, Long term growth healthy

2012 has been a challenging year for the television broadcasting industry. Advertising rates faced pressure from the global and domestic economic slowdown, resulting in a lower than expected increase in advertising revenues, particularly in the second half of the year. The absence of a mega sporting event, like a Cricket World Cup in 2011, and a muted advertiser response to season 5 of the IPL contributed to the low television ad spends in 2012 (Source: FICCI KPMG Report 2013). Advertisement spends are expected to grow in 2013 at similar levels as experienced in 2012. In the long term, however, India continues to be a growth market, and the advertisement market is expected to grow at a CAGR of 14 percent over 2012-17.

❖ Regional & Niche channels

Regional markets form a sizeable portion of the total TV pie - Regional channels accounted for approximately 26.6 percent of total television viewership in 2012. Of this, the Tamil and Telugu markets account for approximately 50 percent of total regional viewership (marginal decline from 52 percent in 2011). In comparison, Marathi and Bengali markets account for close to 29 percent of total regional viewership. Regional channels command an advertising market share of 27.2 percent, which is proportionate to their viewership share. Advertising interest in regional markets is strong and broadcasters see immense potential for revenues from local advertisers who may be willing to pay a premium to reach their targeted audience. With the exception of the Bengal ad market which de-grew and the Marathi ad market which grew by 4-5 percent, most other regional ad markets, led by the South, grew between 12 percent and 15 percent (Source: FICCI KPMG Report 2013). They appear to have been more insulated from the current economic slowdown than national channels. Digitization will also open up avenues for broadcasters to launch subscription driven, specialty channels in India and also provide an opportunity to insert localized content and advertising, translating into premium advertisement rates. Growth in the number of niche and regional channels will have an inclusive and expansionary impact on the television sector. The emergence of targeted and focused channels will allow advertisers to derive maximized value and at the same time increase the participation of local and regional advertisers, thus impacting sector revenue growth.

❖ Potential in HD and premium viewing

Buoyed by increasing LCD and LED TV sales, which are expected to grow to around 15 million units by 2016 (Appx.100% of TV annual sales in 2016E), broadcasters and DTH players have expanded their HD offerings this year. With an increasing uptake of affordable HD TVs, consumers may be willing to pay a premium for a better viewing experience on these television sets. While HD penetration amongst the existing subscribers is low, this is expected to increase significantly going forward. The demand for HD channels amongst consumers is moving beyond specific events, sports and movies.

❖ Increasing penetration of TV's and C&S homes

Even today, a large number of Indian households do not have access to television, especially in the rural areas. With strengthening distribution, easing of hardware prices and growing awareness levels, the country's television footprint is set to expand further. With the increase in consumption power, many households are now opting for multiple television sets expanding the market further. As per Information and Broadcasting (I&B) ministry estimates, institutional and multiple TVs account for approximately 17 percent of television sets in metro cities (Source: FICCI KPMG Report 2013). Environmental factors such as increasing access to electricity (especially in rural areas) and the continued delivery of quality content are further enablers of greater penetration in the Indian television industry.

❖ Emergence of multi-screen TV content consumption

Indian consumers are beginning to consume television content on non-TV devices like smart-phones, tablets, and personal computers. With the rapid growth expected in broadband internet usage, multiple device consumption is expected to grow exponentially in the coming years. According to Media Partners Asia, the broadband internet subscribers are likely to move from 18.5 million in 2012 to over 100 million in 2017. (MPA Annual Report 2012)

❖ Consolidation

2012 was a year of consolidation with significant deal activity across the television value chain. The broadcasting industry witnessed action as players took the M&A route to enter new markets, expand presence in regional markets, consolidate presence in focus markets and exit non-core businesses. Going forward, significant fund raising activity is also expected in the distribution sector as MSOs make heavy capital investments for digitisation, and DTH providers look for funds needed for expansion and customer acquisition. The broadcasting industry may also witness consolidation, as channels enter more regional markets and make significant investments in content and distribution (Source: FICCI KPMG Report 2013)

Key risks & challenges for the Indian Television Industry[5]

❖ Implementation of the mandatory digitisation regime

While digitisation has been planned in a phased manner, its successful implementation is critical for the long term growth of the television industry. All Industry stakeholders will need to ensure that issues ranging from infrastructural (Availability of boxes, customer support etc) and funding to customer education are addressed strongly in every successive phase.

❖ Advertising Environment risks

As an industry, the television sector continues to be substantially dependent on advertising revenues. However, these revenues are in turn strongly linked to changing economic sentiment and thus run the risk of volatility. In recent times, due to the domestic environment and global pressures, advertising growth has been muted considerably. On an overall basis, the total TV advertisement market is estimated to have grown around 8 percent in 2012, lower than industry expectations. In comparison, growth in the TV advertisement market was estimated to be 12 percent in 2011 and 17 percent in 2010. Continuing the trend observed in the past few years, advertisement revenue growth was largely attributable to volume growth. Rates continued to remain flat or even declined in some cases. The TAM blackout following the launch of digitisation coincided with the festive season and this further accentuated the impact of the dampened advertising sentiment. (FICCI KPMG Report 2013)

❖ Competition from other media

Owing to multiple factors, including the mass nature of television, some proportion of advertising revenue is also moving

5 Source: FICCI KPMG Report 2013

away and into media such as internet, mobile and radio which are relatively cheaper, more measurable and have greater local connect. Large advertisers from sectors such as FMCG, BFSI etc are increasingly focusing on the internet and mobile as a key component of their media spending plans.

❖ Content costs for channels

As a result of the clutter and competitive pressures in the market, there has been a high degree of volatility in content costs which is a cause for concern.

❖ Regulation

The Indian broadcast industry is heavily regulated across a multitude of areas including distribution, taxation etc. Policy changes can have a material impact on the economic and strategic direction of the Industry.

The Indian Digital Media Industry[6]

New media continued its growth trajectory in 2012, with estimated growth in advertising revenues in excess of 40% over last year. Coming in at approximately INR 22 billion in revenue in 2012, digital ad spends reached approximately 6.7 percent of total media and entertainment industry advertising revenue. This share is expected to continue to grow over the coming years, driven by significantly higher growth rates in online advertising spend compared to traditional media. (Source: FICCI KPMG Report 2013). The digital media ecosystem in India is evolving rapidly. Continued growth in internet penetration and access to mobile devices is expected to drive consumption. This will further drive adoption by advertisers and the developments in the payment ecosystem should facilitate better monetization, and hence revenue growth.

❖ Mobile connectivity will drive the next phase of growth

The next phase of growth in Internet usage will largely be driven by mobile and wireless connections. The number of internet connections in India was estimated to be approximately 124 million in 2012, a rise of 41 percent over last year. In this period, wireless connections have grown by almost 50 percent. Going forward, the total number of connections is expected to surpass 380 mn by 2017, with wireless connections comprising nearly 90 percent of all connections added over 2012-2017.

❖Smartphones and tablets will drive online media consumption

A large number of these mobile internet users will access the internet using smart phones and tablets and will have access to a wide range of content online. In 2012, there were about 44 million internet enabled smart phones and 2.5 million tablets in India. Driven by several cheaper smartphone options and more low cost tablets coming into the market, the share of these devices is expected to increase to 67 percent of all devices, by 2017.

❖ Apps driven digital economy

The biggest outcome and beneficiary of the mobile internet has been the rise of the app economy. Mobile applications (apps) have been around since the late nineties, but it wasn't until the launch of Apple Appstore that the app economy started to blossom in earnest. The number of apps downloaded globally has nearly doubled to 45 billion in 2012 from 25 billion in 2011, and is expected to rise to 300 billion by 2016. The growth of the Indian app economy has been constrained primarily due to under investment in seamless payment and distribution platforms.

❖ Online advertising

Today, the primary means of monetization in the digital world continues to be advertising. Growing at close to 40 percent, the online Ad market (excluding mobile) in India touched INR 20 billion in 2012, and is expected to grow at a 32 percent CAGR to reach INR 74 billion in 2017. Mobile advertising currently accounts for a small share of the market, estimated at INR 1.7 billion. However, it is expected to grow significantly in the coming years, as advertising catches up with usage and time spent on mobile. (Source: FICCI KPMG Report 2013)

❖ Video

India saw a growth in viewership for on-line video which grew by 45 percent between December 2011 and December 2012. Users in India spent an average of appx. 446 minutes per month (Dec 2012) with the average monthly viewer base growing in this period from 36 mn to 52 mn users.

6 Source: FICCI KPMG Report 2013

❖ Digital Commerce

The total digital commerce market in India was valued at Rs 47,349 crore in December 2012 and is expected to grow by 33 percent to reach Rs 62,967 crore by the end of 2013 according to the latest Digital Commerce report by the Internet and Mobile Association of India (IAMAI) and IMRB International. According to the report, online travel industry has on an average grown by 32 percent from Rs 14,953 crore in 2009 to Rs 34,544 crore in 2012 and is estimated to grow by another 30 percent and be valued at Rs 44,907 crore by the end of December 2013. The E-Tailing category has grown from Rs 1,550 crore in the year 2009 to Rs 6,454 crore in year 2012. This category is estimated to grow by 55 percent and cross 10,000 crore by the end of 2013. The growth of this market will be driven by: 1) An increase in online transacting users, 2) Shift in buying patterns i.e. online consumption driven by mass marketing by digital commerce players, 3) Online adoption by traditional brick- and- mortar retailers and 4) Developing trust for online shopping.

There has been a surge in multi product commerce portals that provide goods and services in a variety of categories; growth in this segment is set to accelerate. Today, the Indian online user is spending much more time online and is involved in different activities compared to a year back indicating the changing usage pattern and online activity. As secure payment interfaces are provided by most websites coupled with the ease of online purchase, the number of online transactions has picked up significantly. A combination of customer pull and business push factors is clearly driving the increase in the number of the transacting users online. In addition to this, the key tipping point in Indian e-commerce has been the Cash-On-Delivery mode of payment.

Key risks & challenges for the Indian Digital & E-Commerce Industry

❖ Mass access to the Internet, Strengthening of infrastructure

With approximately 172 million internet users, there's a considerable opportunity for growth in this audience base in the future. However, in order to achieve this, deployment of broadband on a mass-scale and inexpensive access to data services will be critical. Availability of power supply, mobile connectivity, tariffs, hardware and device prices are other infrastructural factors that will impact growth in digital media in the country.

❖ Localisation of content and services

Growth in new media is inextricably linked to the localisation of content and services. Publishers, e-commerce players and service industry players are focused on developing an ecosystem of such offerings, the acceptance of which will drive the rate at which digital media option occurs in India.

❖ Piracy[7]

Digital piracy remains a major threat to the monetization of content on digital platforms. Digital piracy has long impacted music, and is increasingly becoming a problem in other sectors:

- Globally, India ranks 4th in terms of illegal movie downloads.
- Academic book piracy has been a major concern for years. It is now beginning to impact the consumer books sector as well. The relatively small file size of digital books and with no clear digital rights management (DRM) standards makes piracy relatively easy in this sector.
- Console/PC gaming companies estimate software sales of pirated games to be at least as large as the legitimate markets in volume terms.

Piracy is not new to this industry; however, the advent of digital technologies has resulted in making piracy a lot more widespread. There are several anti piracy tools at the disposal of companies. Besides working with enforcement agencies and educating consumers on the impact of piracy, the industry also needs to evolve strategies that involve development of quality content suited to the medium available online with appropriate security measures. Historically, it is the strength of this content that has determined success in this industry, this is likely to hold true in the digital world.

❖ Security and Payments eco-system

The rise of a 'digital economy' is fundamentally contingent on the robustness of the online payments infrastructure in the country. The e-commerce industry, which has largely been dominated by the travel segment so far, will be the primary beneficiary of this trend as use of net banking, credit cards and wire transfers increases over time. However, strong risk management measures including data theft and anti-phishing controls, e-transaction support and security processes,

7 Source: FICCI KPMG Report 2013

m-commerce and strong regulatory oversight will be necessary for this to be a truly mass phenomenon in the country.

❖ Driving advertiser acceptance

The Indian new media industry, especially web publishing, has shown strong growth in recent years especially with rise in social networking and e-commerce. This growth has been evident both in traf c as well as revenues for the industry. However, TV and Print continue to be the mass media of choice in India given the relatively limited reach of the internet. New media players will need to capitalise further on the measurability and interactivity of the internet, in order to garner a great share of the advertising spends in India.

The Indian Film Industry[8]

The Indian film industry had an exciting year with estimated revenues INR 112.63 Billion in 2012 indicating a growth of 21% percent vis-à-vis 2011.Quality content combined with the revival of Hindi films with mass connect improved the occupancy rates which in-turn increased domestic box-of ce collections. Digital distribution played a significant role in increasing the reach of the industry. Revenue from Cable and satellite (C&S) rights grew at 20 percent in 2012.Albeit on a small base, ancillary revenues such as licensing and merchandising, in-cinema advertising and pay per view also displayed strong growth in 2012. With several high budget Hindi releases lined up across the year, 2013 is expected to sustain the growth momentum witnessed in 2012. The Indian film industry is projected to grow at a CAGR of 11.5 percent to touch INR 193.3 Billion in 2017. The industry expects domestic theatrical revenues to continue dominating the overall pie. However, C&S rights and overseas theatricals revenues are expected to increase their share. Strong marketing of films in the International market could further accelerate the growth of overseas theatricals revenue.

Revenue (INR Billions)	2008	2009	2010	2011	2012	2013 P	2014 P	2015 P	2016 P	2017 P	2011-12 (YoY growth)	CAGR 2012-2017
Domestic Theatrical	80.2	68.5	62	68.8	85.1	92.4	104.7	115.3	127.6	142.2	23.8%	10.8%
Overseas Theatrical	9.8	6.8	6.6	6.9	7.6	8.3	9	9.8	10.8	11.9	9.0%	9.4%
Home Video	3.8	4.3	2.3	2	1.7	1.4	1.2	1.1	1	0.9	-15.0%	-12.0%
Cable&Satellite Rights	7.1	6.3	8.3	10.5	12.8	14.1	16.2	19.1	22.7	27.3	20.0%	16.8%
Ancillary Revenue Streams	3.5	3.5	4.1	4.7	5.4	6.2	7.2	8.3	9.6	11.1	15.2%	15.5%
Total	**104.4**	**89.4**	**83.3**	**92.9**	**112.6**	**122.4**	**138.3**	**153.6**	**171.7**	**193.3**	**21%**	**11.5%**

Key risks & challenges for the Indian Film Industry[9]

❖ Piracy

Inspite of some changes that have helped the industry battle this issue aggressively, the issue of piracy remains a critical issue for the Indian film industry. During January to September 2012, the Motion Pictures Association (MPA) had identified 53 forensic matches to camcording incidents in India, a 77 percent increase as compared to 30 camcording incidents for the same period in 2011. The audit report of first nine months of 2012 revealed that India accounted for 54 percent of all forensic matches in the Asia-Pacific region.

❖ Under-penetration of theatre screens

While India leads world averages in terms of the number of films produced each year and attendance, the under penetration of theatre screens in India remains the biggest challenge for the industry. There are just 8 screens per million people, unlike in the United States, where there are 117 per million

❖ Reliance on Theatrical revenues

While non-theatrical revenue streams, especially cable & satellite, are showing strong signs of growth for the industry, the industry's reliance on pure theatrical revenues continues to be very high. Considering the inherent discontinuous nature of the film business and competing entertainment choices available to consumers, theatrical revenues can be highly volatile. In context of growing competition, costs of production and marketing, it's critical that appropriate risk mitigation strategies are adopted to manage the theatrical volatility.

8 Source: FICCI KPMG Report 2013

9 Source: FICCI KPMG Report 2013, Internal Reports

❖ Release schedules

Typically, any given week during the rest of the year has about three Hindi releases, one regional release, one Hollywood release and some films running from previous weeks. As a result at any point in time about 7-10 films are jostling for screen space. With all three major festival weekends of Diwali, Id and Christmas falling in the last quarter of the year, the industry continues to have a large share of big budget releases during this period. All three top grossing films in the last year were released in this period. Given the volatile supply levels in the Industry, apart from a variety of other entertainment options available to consumers, scheduling has become a critical determinant of box of ce viability and there are a multitude of factors that can impact this process.

❖ Tax rationalisation critical

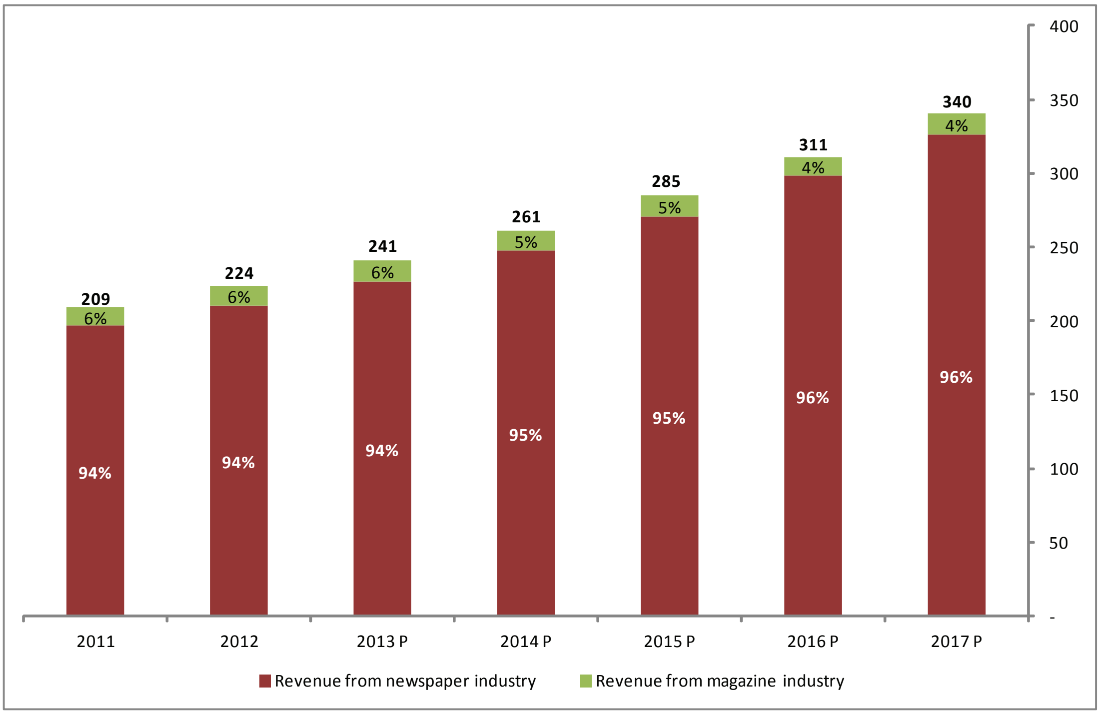
With theatre viewing limited to 3-5 percent of the Indian population, the film industry stands to gain immensely by increasing the overall size of the addressable market. There is a lack of standardization across the country with entertainment being a state subject. Rationalization of the tax structure across the country may increase the total pie of cinema going audience, avoid distortion in theatre density and support the overall growth of the film industry especially, for national theater chains and pan-India film production houses.

❖ Lack of quality shooting infrastructure

Despite being a huge film-producing nation, there are only four major film cities in the country which are located at Mumbai, Hyderabad, Noida and Chennai. A rapid growth in broadcast and advertising requirements has exerted strong pressure on each of these cities. Though there is a clear potential for absorbing additional floor space, high real estate prices have made this option increasingly dif cult.

The Indian Publishing Industry[10]

In the calendar year 2012, the INR 224 billion print industry grew by 7.3 percent from INR 209 billion in 2011. The growth in advertisement as well as circulation revenues has been 7.3 percent in 2012 over 2011 The advertisement revenues continued to be the main source of revenue for the print industry, contributing 67 percent to industry's revenues.



Source: FICCI KPMG Report 2013, Figs. In INR Billion

10 Source: FICCI KPMG Report 2012

The magazine industry was valued at INR 13 billion in 2012. Some of the key trends observed in the magazine space include:

- ❖ Entry of international titles: With the easing of entry norms for international magazines, foreign publishers are entering the Indian magazine market, which has expanded despite the global economic recession. This trend has been most visible in the premium segment of the magazine market.
- ❖ Language markets continue to grow: The Hindi and Vernacular now contribute approximately 62 percent of industry's revenues and cater to 89 percent of the readership. Together, the Hindi and Vernacular markets are expected to grow at a CAGR of 10.9 percent over the period 2012-2017, outpacing the English language market's growth of 4.8 percent (Source: FICCI KPMG Report 2013)
- ❖ Strengthening of cover prices: Most publishing groups increased the cover prices of their magazines. The trend is more dominant in the English language category than in any other language.
- ❖ Diversification of revenue lines: Till recently, a majority of magazine revenues were generated from advertising. However, the industry is observing magazine players moving towards alternate revenue sources such as events, activations, online lead generation and digital media platforms. The last year saw expansion of niche category magazines in the regional markets.

Key risks & challenges for the Indian Publishing Industry[11]

❖ Scaling operating costs

Managing volatility in key operating costs such as printing & raw materials, distribution, marketing is key for the industry, both from the perspective of dailies and magazines.

❖ Digital frontier

With the spurt of technological advances, the channels of consumer engagement are rapidly evolving. While Internet penetration is still low in India (2 percent) as compared to the mature markets such as Hong Kong (41 percent), France (35 percent), US (29 percent), etc., the next phase of technological progress is stimulating the industry. As broadband, smart phones and tablets proliferate, the print medium, must prepare to meet this challenge head on. The future of the industry depends on effectively exploiting the digital opportunity as well as improving ef ciency by employing innovative business models.

❖ Advertiser proposition

With rapid evolution in the media choices and consumption patterns, the publishing industry will need to re-examine its proposition from the advertiser perspective. Apart from a new media presence, delivery of 360 degree solutions to clients will be critical in the future including areas such as events, brand activation etc which are focused on specific communities and interest groups.

❖ Talent

The industry will need to attract editorial and production talent that is multi-media ready and can manage a 'digital newsroom' environment.

BUSINESS OVERVIEW

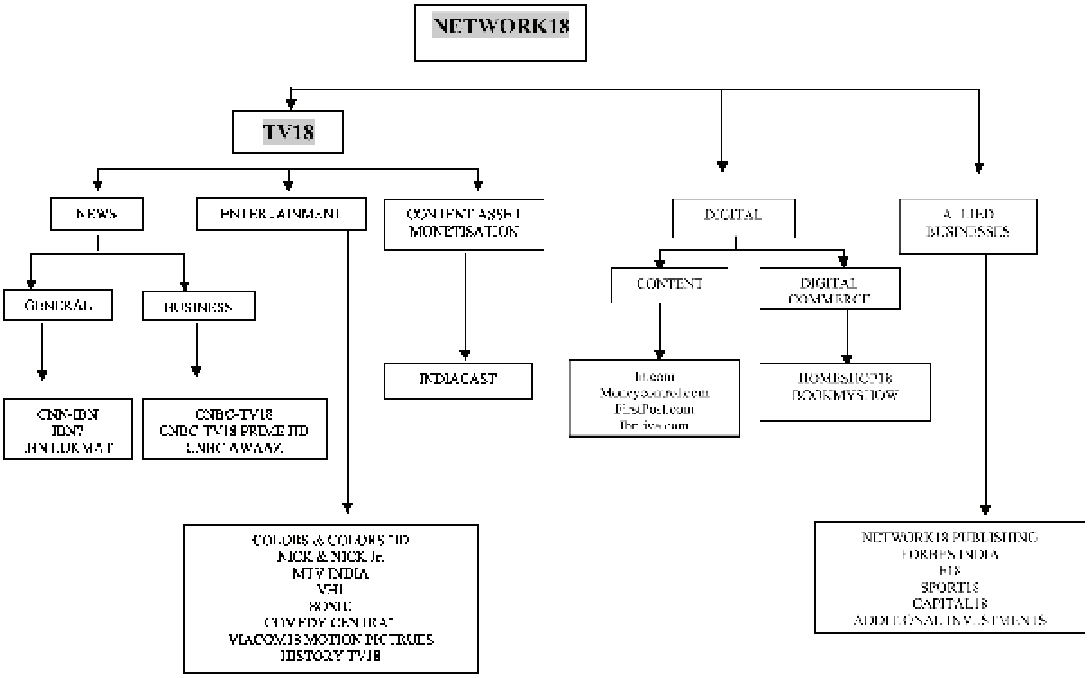
We are a leading media and entertainment company in India, reaching an average of approximately 222.92 million television viewers in (Source TAM; CS 4+ Yrs, Market All India, Wk 1 '13 – Wk 13 '13) and an average of 27 million digital unique users each month globally in the year ended December 31st, 2012 (Source: ComScore). We have interests in television, internet, filmed entertainment, digital commerce, magazines, mobile content and allied businesses. We broadcast television channels across genres such as general news, business news, Hindi general entertainment, kids, youth, English entertainment, factual entertainment and teleshopping, primarily in English, Hindi and key regional languages. We entered the Internet industry in June 2000 and have since established a number of digital and mobile properties offering digital content and commerce, including home shopping and online ticketing. We also publish special interest business-to-consumer and business-to-business magazines and have a presence in film production and distribution. We also are present in service areas such as events and sport management.

11 Source: FICCI KPMG Report 2013, Internal Reports

Through our subsidiary TV18 Broadcast Ltd, we operate one of India's popular television broadcasting networks. This includes one of India's leading news networks comprising channels such as CNBC-TV18, CNBC Awaaz, CNBC-TV18 Prime HD, CNN-IBN, IBN7 and IBN-Lokmat (a Marathi regional news channel in partnership with the Lokmat group). TV18 also operates a joint venture with Viacom, called Viacom18, which houses a portfolio of popular entertainment channels – Colors, Colors HD, MTV, SONIC, Comedy Central, VH1, Nick. Nick Jr. and Nick Teen - and Viacom18 Motion Pictures, the group's filmed entertainment business. TV18 has also forayed into the Indian factual entertainment space through A+E Networks | TV18 (a joint venture between A+E Networks and TV18 Broadcast) and operates HistoryTV18. TV18 and Viacom18 have also formed a strategic joint venture called IndiaCast, a multi-platform 'content asset monetization' entity mandated to drive domestic and international channels distribution, placement services and content syndication for the bouquet of channels from TV18, Viacom18 and other broadcasters. Our news and entertainment segments are engaged in the programming, production and broadcasting of business and general news, general entertainment, kids, music, factual entertainment, teleshopping television channels and the acquisition, production, syndication, marketing and distribution of films.

Our digital content and commerce segment includes a diversified portfolio of brands catering to a wide range of interests and services, including news, music and entertainment, markets and finance, social networking, online shopping and ticketing, and mobile phone services and applications. These assets include one of India's largest internet players, Web18 which houses the country's leading digital content properties such as moneycontrol.com, ibnlive.com, in.com and firstpost.com. We also operate leading digital commerce brands in the country – HomeShop18 and bookmyshow.com, and publish Forbes India, India's first local edition of a foreign news magazine title and one of the world's most influential business brands, in collaboration with Forbes Media. In addition, we operate Network18 Publishing, one of the leading players in the special interest publishing space as well as E18 and Sport18, our events and sports management and marketing ventures. We are the second most popular Indian online media company, according to comScore (December 2012), attracting an average of approximately 27 million unique visitors globally per month for the year ended December 31st, 2012. Unique visitors to our sites grew from 27.4 million in December 2011 to 31.2 million in December 2012, and in the period ended December 31st, 2012, we recorded over 1.1 billion total visits to our sites, according to Comscore.

The chart below shows our business segments and key media assets:



*Network18 & TV18 are listed entities

We generate revenue primarily through the sale of advertisements and sponsorships on our television channels, our digital and mobile properties and our print and publishing business. We also generate revenue through subscriptions to our television channels, digital products and services and our print publications.

RECENT INDUSTRY AWARDS : NETWORK18 GROUP			
COLORS			
Awards	Category	Winners	Gold / Silver / Bronze
Indian Telly Awards 2013	TV Show Packaging (Fiction)	Madhubala - Ek Ishq Ek Junoon	
	Videography (Best TV Cameraman - Fiction)	Sanskar Dharohar Apno Ki	
	Jury Actor in a Negative Role	Uttaran	
	Jury Actress in a Lead Role	Balika Vadhu	
	Anchor/s	Jhalak Dikhhla Ja	
	Actress in a Supporting Role	Madhubala - Ek Ishq Ek Junoon	
	Actor in a Lead Role	Na Bole Tum Na Maine Kuch Kaha	
	Continuing TV Programme	Balika Vadhu — Kachchi Umar Ke Pakke Rishte	
	Drama Series	Sasural Simar Ka	
	Reality Show	Big Boss Season - 6	
	Televised Awards Show	Colors Golden Petal Awards 2012	
	Variety Entertainment Show	Fremantle Media	
	On Screen Couple	Madhubala - Ek Ishq Ek Junoon	
The Indian Television Awards 2012 - General Jury Awards	Best Anchor - Music & Film-based Show	Jhalak Dikhla Ja	
	Best Actress in a Negative Role	Rishta Khatta Meetha	
	GR8! Performer of the Year - Male	Madhubala - Ek Ishq Ek Junoon	
	Best Talk/Chat Show	The Late Night Show - Undercover Productions on Colors	
	Best Costumes	Balika Vadhu -Kacchi Umar Ke Pakke Rishte	
	Best Videography	Balika Vadhu - Kacchi Umar Ke Pakke Rishte	
	Best Title Music/Song Track	Balika Vadhu - Kacchi Umar Ke Pakke Rishte	
	Best Dialogues	Balika Vadhu -Kacchi Umar Ke Pakke Rishte	
The Indian Television Awards 2012 - Popular Awards	Best Actor	Parichay - Nayee Zindagi kay Sapno Ka	
VIACOM18 MOTION PICTURES			
Awards	**Category**	**Winners**	**Film**
Filmfare Awards - Popular Awards	Best Actress	Vidya Balan	Kahaani
	Best Director	Sujoy Ghosh	Kahaani

	Best Dialogue	Anurag Kashyap, Akhilesh Jaiswal, Sachin Ladia and Zeeshan Qadri	Gangs Of Wasseypur
Filmfare Awards - Critics Awards	Best actor female	Richa Chadda	Gangs Of Wasseypur
	Best film		Gangs Of Wasseypur
Filmfare Awards- Technical Awards	Best action	Sham Kaushal	Gangs Of Wasseypur
	Best Cinematography	Setu	Kahaani
	Best Editing	Namrata Rao	Kahaani
	Best Sound Design	Sanjay Maurya and Allwin Rego	Kahaani
Colors Screen Awards	Ramnath Goenka Awards		Gangs of Wasseypur
	Best Actress	Vidya Balan	Kahaani
	Best Actor in a Negative Role	Tigmanshu Dhulia	Gangs Of Wasseypur
	Best Ensemble Cast		Gangs Of Wasseypur
	Best Choreography	Prabhudeva for 'Go Go Govinda'	OMG Oh My God!
	Best Story	Sujoy Ghosh and Advaita Kala	Kahaani
	Best Sound Design	Allwin Rego and Sanjay Maurya	Kahaani
	Best Editing	Namrata Rao	Kahaani
	Best Production Design	Kaushik Das and Subrata Barik	Kahaani
	Best Action	Shyam Kaushal	Gangs of wasseypur
	Best Dialogue	Bhavesh Mandlia and Umesh Shukla	OMG Oh My God!
Big Star Entertain-ment Awards	BIG Star Most Entertaining Social Film		OMG Oh My God!
	BIG Star Most Entertaining an Action -Thriller Film	Sujoy Ghosh	Kahaani
	BIG Star Most Entertaining Actor (Film) Debut – Female	Huma Qureshi	Gangs Of Wasseypur
Zee Cine Awards	Best Actress Critics Choice	Vidya Balan	Kahaani
	Best Film Critics Choice		Kahaani
	Best Director Critics Choice	Sujoy Ghosh	Kahaani
	Best Story	Sujoy Ghosh and Advaita Kala	Kahaani
	Best Sound Design	Kunal Sharma	Gangs Of Wasseypur
National Awards	Best Original Screenplay	Sujoy Ghosh	Kahaani
	Best Screenplay (adapted)		OMG Oh My God!
	Best Sound recording		Gangs of Wasseypur
	Special Jury Award	Actor: Nawazuddin Siddiquie	for four films
Apsara Guild Awards	Best Actress in a Leading Role	Vidya Balan	Kahaani
	Best Director	Sujoy Ghosh	Kahaani
Stardust Awards	Best Actress (Thriller / Action)	Vidya Balan	Kahaani
	Best Actor	Manoj Bajpayee	Gangs Of Wasseypur

MTV			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
Exchange for Media Marketing Awards	Best Youth Brand of the Year	MTV	Gold
	Best Sustained Youth Brand Campaign	MTV Roadies	Gold
Festival of Media Asia	Best Contribution to a Campaign by a Media Owner	Axe Shower Gel product Launch with MTV	Gold
Pitch Marketing Awards	Most Sustained Youth Brand	MTV Roadies 9	Gold
	Most Effective Digital Media Strategy	MTV Roadies 9	Gold
	Effective Sponsorship & Branded Content	Nano Drive With MTV	Silver
	Youth Activation	Nano Drive With MTV	Silver
WAT Awards	Digital App of the Year	MTV Roadies Head Collectors	
Indian Digital Media Awards 2012	Best Use of Social Networks Language	MTV Roadies 9	Bronze
	Best Use of Blogs - social media	MTV Roadies 9	Bronze
	Best Use of Web Gaming/Films/ TV Shows/Events	Roadies Battleground	Gold
	Best Use of Web Gaming/Films/ TV Shows/Events	MTV Bootycall	Silver
	Best Website	MTV Roadies 9	Bronze
Creative Abby Awards 2013	Best Use or Integration of Music	Coke Studio @ MTV	Silver
	Best Use or Integration of Music	Intel MTV Soundtrippin	Silver
	Best Brand All Product Integration into a Feature film/ Show	Drive With MTV	Bronze
Indian Digital Media Awards 2012	Best Use Of Videos	MTV Unmasked	Silver
	Best use of Blogs	MTV MyCam	Bronze
	Best Use of Social Networks	MTV India Facebook	Bronze
	Best Social Media Apps	MTV What's Your FQ	Bronze
	Best Integrated Campaign - Social Cause	MTV Caps On	Bronze
PromaxBDA India	Best Launch Campaign	MTV GORBATSCHOW True life	Gold
	Best Launch Campaign	MTV MICROMAX Unplugged	Silver
	Best Script	MTV Chat House	Gold
	Best Editing	MTV True Life	Silver
	Best Brand-Integration Promo	MTV Homeshop18	Silver

	Best Programme Title Sequence	MTV PANASONIC Face of Beauty	Gold
	Best Print Campaign	MTV Coke Studio	Silver
PromaxBDA Asia	Best Brand Integration Promo	MTV Face of Beauty	Gold
	Best Print Ad	MTV Chat House	Gold
	Best Print Campaign	MTV Chat House	Silver
Diageo Asia Pacific Marketing Award	The Best Media Property	MTV Captain's Shack	
EMVIES	The Best Media Property	Coke Studio @ MTV	2 Gold
			2 Bronze
	Best Media Innovation - TV / Digital	Axe VJ Jose Kidnap Campaign	1 Gold
			2 Silver
	Best Media Innovation - RADIO	Micromax MTV Unplugged	1 Silver
	Best Media Property	MTV Captain's shack	1 Silver
NICKELODEON & SONIC			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
Promax World - 2012	Special Project Award	Sonic - Akshay Kumar Brand Promo	Silver
	Children's Program Campaign using Integrated Media	Sonic - Akshay Kumar Brand Promo + Show Promos	Silver
	Comedy Program Promotion Campaign Using Integrated Media	Nickelodeon - The Keymon Spin	Bronze
Promax India - 2012	Best Holiday/Seasonal/Special Event Promo	Sonic - Akshay Promo	Gold
	Best Children Programme Promo	Sonic - Akshay Kumar Brand Promo	Gold
	Best Children's Programme Promo	Sonic Xtreme – Block Opener	Silver
	Best Entertainment Promo	Sonic - Akshay Kumar Brand Promo	Silver
	Best Programme Title Sequence	Sonic Flix	Silver
Promax Asia- 2012	Best Out Of Station Promo Campaign	Sonic- Akshay Promo	Gold
WOW Events and Experiential Market-ing -2012	Activation Program of the Year by a Media Brand with on Ground Connect	Nickelodeon - Young Astronaut	Bronze
VH1			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
Pitch Youth Market-ing Awards 2012	Best Media Youth Brand	Vh1	Silver
Promax Awards India 2012-13	Best In House Station Image spot- Rat Catcher	Vh1	Silver
COMEDY CENTRAL			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
Promax Awards India 2012-13	Best Out of House Station Image	Comedy Central Launch "Funny Bone"	Gold

	Best Original Music Composition comedy central launch "laugh it off song"	Laugh It Off Song	Gold
	Best Promo not using programme footage	Comedy Central Launch "Funny Bone"	Gold
	Something for nothing (Packaging)	Quickies	Silver
	Best On-Air Ident Design (in-house)	Ident - Ping Pong	Silver
Promax Awards Singapore 2012-13	Best Comedy Promo	The Stand-Up Club "Yoga"	Gold
	Best Comedy Campaign	Comedy Central Launch "Funny Bone"	Gold
	Best Script	The Stand-Up Club "Yoga"	Gold
	Best Out-of-House Station Image Promo	Comedy Central Launch "Funny Bone"	Silver
	Best Comedy Promo	Comedy Central Launch "Funny Bone"	Silver
	Best Entertainment/Variety Promo	The Stand-Up Club "Yoga"	Silver
	Funniest Spot	The Stand-Up Club "Yoga"	Silver
	Something For Nothing	Comedy Central Mother's Day Ident	Silver

CNBC-TV18			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
NT Awards 2013	Auto Show	Overdrive	
	Technology based Show	Tech Toyz	
	Show Packaging	Tech Toyz	
CNBC Awaaz			
NT Awards 2013	**Best Business Feature Show**	**Awaaz Entrepreneur**	
CNN-IBN			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
Asian Television Awards 2012	Best Cross-Platform Content	The Citizen Journalist Show	
Indian Television Academy Awards 2012	Best English News Channel	CNN-IBN	
	Best Anchor - News/Current Affairs Show	Rajdeep Sardesai	
Exchange4media News Broadcasting Awards 2012	Best News Coverage (National)	Lokpal Bill	
The Laadli Media Awards 2012	Gender Sensitivity	Real Heroes	

News Television Awards 2013	Best Daily Prime Time News Show	India at 9	
	Best News Documentary	Ground Zero Gujarat	
	Best Current Affairs Feature	Ground Zero Gujarat	
	Best Entertainment Feature	Music Maestros (S D Burman)	
	Best Business Talk Show	Rate the Budget	
	Best Sports Feature	The Contenders (Hockey Special)	
	Best-Presented Popular News Show	India at 9	
	Best Public Debate Show	Question Time Didi	
	Best TV News Presenter	Rajdeep Sardesai	
	Best TV News Reporter	Anubha Bhonsle	
	Best Use of Graphics in a Promo	Olympics Omnibus	
	Best News Cinematographer	Prakasam	
	Best News Channel Website	IBNLive.com	
IBN 7			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
News Television Awards 2013 - Programming Awards	Best News Talk Show (Hindi)	Zindagi LIVE – Gujarat Riots; (fifth award in a row)	
	Best Auto Show (Hindi)	Top Drive	
	Best Entertainment News Show (Hindi)	2G	
News Television Awards 2013 - Promo, Design & Packaging Awards	Best Set Design (Virtual) (Hindi)	Dreamz Unlimited (Budget 2012- Touchscreen)	
	Championing The Cause Of The Physically Challenged	Super Idols	
Indian Television Academy Awards	Best News and Current Affairs Show	Zindagi LIVE (Godhra)	
	ITA Special Laurel Award	Super Idols	
ENBA Awards	Best in-show Graphics	Budget 2012- Dreamz Unlimited	
IBN LOKMAT			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
ENBA Awards 2012	Best News Program	IBN Lokmat	
	Best Spot News Reporting	Suvarna Dusane-Jagadale (Mayor & Cash dealing)	
	Best Coverage Award	Alka Dhupkar -Farmer's Sucide Coverage	
News Television Awards 2012	Best News Reporting Coverage Award	IBN-Lokmat Bhuldhana Malnutrition Show	

	Best Investigative Feature Award	Reportaaz-Usane Matrutva	
	Daily Prime Time Show	Prime Time	
	Best News Documentary Show	Reportaaz-Dhumastya Barfatale Anand Ghar	
	Best Entertainment Feature Show	Factrichi 100 Varshe	
	Best News Reporter	Alka Dhupkar	
	Best Film Critics	Amol Parchure	
	Best Show Packaging	Factrichi 100 Varshe	
	Best Graphics Awards	IBN-Lokmat	
Chameli Devi Jain Award 2012	Outstanding Award for Woman Journalist	Alka Dhupkar	
Ladli Media National Award 2012	Ladli Media National Awards-Women Issues	Reprotaaz- Kolhapurchya Leki by Prajkta Dhulap	
Krantiveer Savitribai Phule Sangharsh Pur-skar 2012	Best Campaign on Women Issues	Alka Dhupkar- Campaign on Women Issue like Female Feticide ,Honor Killing	
Sanctuary Asia Wind under Wing Award 2012	Best Envoirnment Journalism	Arati Kulkarni- Stories on Tadoba Illegal Mines /Raigad Illegal Iron Ore Mines	
WEB18			
Awards - Website/ Web18	**Category**	**Winners**	**Gold / Silver / Bronze**
Webby 2013	Best Mobile/ Tablet app	Firstpost iPad app	Of cial Honoree
Abby's 2013	Best Digital Integrated Campaign	moneycontrol.com Budget 2012 Campaign	Silver
Abby's 2013	Best Integrated Campaign	moneycontrol.com Budget 2012 Campaign	Bronze
Olive Crown Awards	Creative Excellence in Communi-cating Sustainability	Firstpost.com tree commercial	Silver
IAMAI IDMA Awards	Best News Website Award	IBNLive.com	Gold
Mobby's by World Brand Congress	Best iPad App	moneycontrol.com iPad app	Gold
SIXTH NT Awards	Best News Website Award	IBNLive.com	Gold
WAT Awards	Best Digital Integrated Campaign	moneycontrol.2012 Budget campaign	Gold
HOMESHOP18			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
Asia retail leadership 2012	E-commerce & Online Shopping	Organisation	
Star Retailer Awards 2012	Retail Entrepreneur of the Year	Mr. Sundeep Malhotra	
World Brand Congress, 2012	Brand Excellence in Internet Business	Organisation	

	Award for Social Marketing	Organisation	
ET Now Awards for Retail Excellence at Asia Retail Congress 2013	Innovative Retail Concept of the Year	Organisation	
	Retailer of the Year -E-commerce & Online	Organisation	
Indian eRetail Awards 2013	E-retailer of the Year	Organisation	
	Best eRetail Marketing Initiative	Organisation	
The Greatest Corporate Leaders of India Awards 2013	The Greatest Corporate Leaders of India	Mr. Sundeep Malhotra	
BOOKMYSHOW			
Awards	**Category**	**Winners**	**Gold / Silver / Bronze**
Yahoo! Big Idea Chair Awards 2012	Best Use of Search	"Housefull" campaign	Silver

MTV Roadies Battleground 4		
Category	**Winners**	**Gold / Silver / Bronze**
Best Gaming Web	Exchange4Media IDM Awards 2012	Gold
MTV Unmasked		
Category	**Winners**	**Gold / Silver / Bronze**
Best Use Of Videos	Exchange4Media IDM Awards 2012	Silver
MTV Ecolution		
Category	**Winners**	**Gold / Silver / Bronze**
for best website/ microsite	public service/cause at Exchange4Media IDM Awards 2011	Bronze
MTV Bootycall		
Category	**Winners**	**Gold / Silver / Bronze**
Best Use of Web based Games/ Gaming	Films at Exchange4Media IDM Awards 2012	Silver

MTV What's Your FQ		
Category	**Winners**	**Gold / Silver / Bronze**
Best Social Media Apps	Exchange4Media IDM Awards 2012	Bronze
MTV MyCam		
Category	**Winners**	**Gold / Silver / Bronze**
Best use of Blogs	Social Media at Exchange4Media IDM Awards 2012	Bronze
MTV India Facebook		
Category	Winners	Gold / Silver / Bronze
Best Use of Social Networks	Exchange4Media IDM Awards 2012	Bronze

Financial Performance Summary

- Consolidated revenues for year 2012-13 stood at Rs. 2400.8 crores on a reported basis, growing by almost 25% over previous year. Our operating losses are down sharply from Rs. 296 crores to Rs. 39 crores.
- Our TV18 Business (both News and Entertainment) was on a strong growth trajectory this year. Reported revenues for the television and motion pictures business (including IndiaCast) stood at Rs. 1699.1 crores for the year. Our reported operating profit for the year was Rs. 112.1 crores as against an operating loss of Rs 61.8 crores for the previous year. Our continuing broadcasting and motion pictures operations turned in a strong performance with a profit of Rs. 165 crores during the year (excluding one-time expenses/revenues and losses towards our new launches and discontinued operations) more than doubling over Rs. 75.9 crores last year. Our Net Distribution Income turned positive for the year with a swing of Rs. 116.9 crores over the previous year.
- Our Digital Content and eCommerce Business grew to Rs. 400.9 crores, registering a growth of 193%, over the previous year (adjusted for the sale of Newswire18).
- Pursuant to the completion of the Rights Issue during the course of the year, the company has successfully deleveraged its balance sheet. The net debt at a consolidated level now stands at Rs. 211 crores.
- During the year, we profitably sold our entire stake in Newswire18, divested our Yellow Pages and Askme businesses and diluted our majority stake in Bookmyshow. These transactions are in line with our stated objective of divesting stakes in non-core assets to create value for our shareholders and allowing infusion of growth capital in these assets to propel them to the next stage. The aforementioned transactions cumulatively added Rs. 180 crores to our profits for the year and raised Rs. 235 crores of cash for the Network18 group. Post the balance sheet date, we also entered into an agreement with OCP Asia Ltd. to raise growth capital of USD 30 Million in our premier virtual commerce business & HomeShop18.

NETWORK18 – Key Segmental Highlights

All figures in INR crores	FY13 (Audited)	FY12 (Audited)
Revenues*	**2400.8**	**1943.8**
* Television and Motion Pictures	1725.5	1262.9
* Digital Content and eCommerce	400.9	233.8
* Allied Businesses	373.3	474.5
* Discontinued Operations - HMC and TIFC	45.5	159.7
* Less: Inter Segmental Revenues	(144.3)	(187.1)
Operating Profit#	**(39.2)**	**(296.0)**
# Television and Motion Pictures	107.1	1.6
# Digital Content and eCommerce	(125.4)	(126.3)
# Allied Businesses	(46.9)	(118.8)
# Discontinued Operations - HMC and TIFC	5.0	(63.4)
# Less: Inter Segmental Eliminations	20.9	11.0
Operating Margin$		
$ Television and Motion Pictures	6%	0%
$ Digital Content and eCommerce	-31%	-54%
$ Allied Businesses	-13%	-25%

Television Business

All figures in INR crores	FY13 (Audited)	FY12 (Audited)
Revenues*	**1699.1**	**1409.9**
* News	551.8	629.4
* Entertainment	731.0	624.1
* New Operations including Infotainment	52.5	9.5
* Distribution (IndiaCast)	390.2	0
* Discontinued Operations - HMC and TIFC	45.5	159.7
* Less: Inter Segmental Revenues	(71.9)	(12.8)
Operating Profit#	**112.1**	**(61.8)**
# News	104.0	50.3
# Entertainment	61.1	25.6
# New Operations including Infotainment	(57.5)	(74.3)
# Distribution (IndiaCast)	(0.5)	0.0
# Discontinued Operations - HMC and TIFC	5.0	(63.4)
Operating Margin $	**7%**	**-4%**
$ News	19%	8%
$ Entertainment	8%	4%
$ New Operations including Infotainment	-110%	-782%
$ Distribution (IndiaCast)	0%	
$ Discontinued Operations - HMC and TIFC	11%	-40%

IndiaCast has been consolidated as a 100% subsidiary this year. This may, however change, once the 50% capitalization by Viacom18 is complete as IndiaCast will be a 50-50 joint venture between TV18 and Viacom18. All prior entities/teams involved with collecting subscription and/or paying carriage and placement have been subsumed as part of IndiaCast. IndiaCast came into operation on July 1st 2012 and as such, is consolidated only from Q2 FY13. TV18 moved to the Net Distribution Income methodology of accounting for carriage and subscription from Q2FY13. For Q1 FY13, gross subscription and carriage numbers are included in the audited results. Segmental numbers are based on management accounts and are not audited. Full year FY12 and FY13 numbers are audited.

Net Distribution Income

Effective 1st July 2012, IndiaCast is now managing TV18's and Viacom18's distribution operations. Pursuant to this development, broadcasting operations of TV18, are now reporting net revenues from distribution starting Q2 FY13. Net Distribution Income may be understood as subscription revenues earned by the company minus carriage/placement fees or any promotions/commission paid. This has the impact of reducing our reported revenues and expenses and hence current year numbers will not be comparable to previous year audited numbers. EBITDA however will be unchanged.

For FY13, our Net Distribution Income stood at Rs. 15.7 crores breaking into positive territory. This is a swing of Rs. 116.9 crores over the previous year. In order to help understand the trend for this key metric better; we are providing the historical context in the table below.

2012	2013				
FY	Q1	Q2	Q3	Q4	FY
-101.2	-16.0	-12.5	17.8	26.4	15.7

News and Infotainment Operations

All figures in INR crores	FY13 (Audited)	FY12 (Audited)
Revenues*	**591.3**	**638.3**
* General News	256.7	302.8
* Business News	295.1	326.6
* Infotainment (AETN18)	39.5	8.9
Operating Profit#	**77.9**	**2.3**
# General News	3.2	(4.3)
# Business News	100.8	54.7
# Infotainment (AETN18)	(26.1)	(48.0)
Operating Margin$	**13%**	**0%**
$ General News	1%	-1%
$ Business News	34%	17%

a. Business News Operations had a strong FY13 with margins doubling as compared to the last year.

- Operating profit for FY13 stood at Rs. 100.8 crores as compared to Rs. 54.7 crores in FY12. The significant improvement in margins came on the back of expansion of Net Distribution Income.
- Our Business News Channels – CNBC TV18 and CNBC Awaaz continued to be market leaders during the year and quarter.

b. General News Operations broke into positive territory for FY13.

Operating profit stood at Rs. 3.2 crores for the year as compared to a loss of Rs. 4.3 crores in FY12. Our General News Channels – CNN IBN, IBN7 and IBN Lokmat undertook several initiatives during the year to bring news and issues that matter to audiences across the country.

c. History TV18 continues to redefine the genre with its innovative programming.

FY13 revenues stood at Rs. 39.5 crores. It continued sustained performance during the year with highest time spent per viewer with 27.3 minutes in 6 Metros vis-à-vis Discovery (23.5 minutes) and Nat Geo (18.9 minutes),** a lead it has maintained since its launch.

** Source: TAM, Market: 6 Metros, TG: CS AB 15+, Period: Wk 14'12 to Wk 13'13 All Days, 0600-2400 hrs

Entertainment Business

- Viacom18 returned to operational profitability in FY13 with an EBITDA of Rs. 69.4 crores as against an EBITDA loss of Rs. 128.3 crores in the previous year. Our operating profits from our continuing business, excluding new operations, stood at Rs. 136.4 crores for FY13, more than doubling over last year. Revenues for FY13 stood at Rs. 1,579 crores.
- Colors was the No. 2 channel during FY13 with its strong fiction and reality programming line-up. Our flagship shows – 'Balika Vadhu', 'Madhubala Ek Ishq Ek Junoon' and 'Sasural Simar Ka' continued to be in the Top 10 shows of the genre. The quarter also witnessed the grand finale of the highly successful – 'Big Boss Season 6'.
- During the year, we strengthened our bouquet of offerings in the Kids Genre with the launch of Nick Jr. and Nick Teen. With the launch of Nick Jr., we are working towards creating an eco-system to meaningfully engage mothers and toddlers.
- Viacom18 Motion Pictures released the following critically acclaimed and successful movies during the quarter – 'Inkaar', 'Special 26', 'Saheb Biwi Aur Gangster Returns' and 'G I Joe: Retaliation'.

Digital Content and eCommerce

Network18 is one of the largest Indian digital media companies in the world in terms of unique visitors as per Comscore. Reported Revenues for FY13 stood at Rs. 400.9 crores, registering a growth of 193%, over the previous year (adjusted for the sale of

Newswire18).

All figures in INR crores	FY13 (Audited)	FY12 (Audited)
Revenues*	**400.9**	**233.8**
* Digital Content	88.0	70.2
* Digital Commerce	276.3	118.8
* Newswire18	36.7	44.8
Operating Profit	**(125.4)**	**(126.3)**
Operating Margin	**-31%**	**-54%**

a. **Our Digital Content operations recorded revenues of Rs 88.0 crores for the year .** All our content properties – moneycontrol.com, in.com, ibnlive.com and fistpost.com continued to innovate and maintain their market leadership positions.

b. **Bookmyshow.com** had another terrific year of growth year with revenues growing over 75% year over previous year.

c. **HomeShop18 continued to scale across key operating parameters.** Revenues grew at over 250% over last year with both our Television and eCommerce businesses continuing to maintain their leadership positions. Our margins are looking significantly better and the Television Business is now generating operating profits.

d. During the year, we profitably divested our entire stake in India's premier financial data and news terminal business –Newswire18.

Allied Businesses

All figures in INR crores	FY13 (Audited)	FY12 (Audited)
Revenues*	**373.3**	**474.5**
* Infomedia 18 Press	36.4	36.4
* Network18 Publishing	115.5	107.1
* Other Allied Businesses	221.4	330.9
Operating Profit#	**(46.9)**	**(118.8)**
# Infomedia 18 Press	(13.1)	0.4
# Network18 Publishing	4.4	(66.7)
# Other Allied Businesses	(38.2)	(52.5)
Operating Margin$	**-13%**	**-25%**
$ Infomedia 18 Press	-36%	1%
$ Network18 Publishing	4%	-62%
$ Other Allied Businesses	-17%	-16%

a. **Publishing Operations**

Network18 Publishing recorded revenues of Rs. 115.5 crores and a profit of Rs. 4.4 crores for FY13. Digital editions of all magazines were launched during the year on Magzter. Forbes India's released its first-ever 'Forbes India Celebrity 100 List', which attracted significant coverage across media and witnessed a substantial increase in newsstand sales.

We profitably divested our Yellow Pages and Askme Businesses during the year. They will not be consolidated in the financials starting Q1 FY14.

b. **Capital18 Investee Companies**

Capital18 investee portfolio companies continued to grow both on revenues and profitability.

OUR BUSINESS

We are a media and entertainment company with interests in television, internet, films, digital commerce, magazines, mobile content and allied businesses. Through our subsidiary 'TV18 Broadcast Ltd.' [BSE: 532800, NSE: TV18BRDCST], we operate news channels - CNBC-TV18, CNBC Awaaz, CNBC-TV18 Prime HD, CNN-IBN, IBN7 and IBN-Lokmat (a Marathi regional news channel in partnership with the Lokmat group). TV18 also operates a joint venture with Viacom, called Viacom18, which houses a portfolio of popular entertainment channels – Colors, Colors HD, MTV, SONIC, Comedy Central, VH1, Nick. Nick Jr. and Nick Teen - and Viacom18 Motion Pictures, the group's filmed entertainment business. TV18 has also forayed into the Indian factual entertainment space through A+E Networks | TV18 (a joint venture between A+E Networks and TV18 Broadcast) and operates HistoryTV18. TV18 and Viacom18 have also formed a strategic joint venture called IndiaCast, a multi-platform 'content asset monetization' entity mandated to drive domestic and international channels distribution, placement services and content syndication for the bouquet of channels from TV18, Viacom18 and other broadcasters. Through 'Network18 Media & Investments Ltd.' [BSE: 532798, NSE: Network18], the group operates its digital content, publishing and digital commerce assets including moneycontrol.com, ibnlive.com, in.com and firstpost.com. 'Network18' also operates digital commerce properties like HomeShop18 and bookmyshow.com and publishes Forbes India, the nation's first local edition of a foreign news magazine title and one of the world's most influential business brands, in collaboration with Forbes Media. In addition, through 'Network18', the group operates Network18 Publishing, a player in the special interest publishing space as well as E18, the group's event management venture and Sport18, its sports management and marketing division. 'Network18' has investments in Yatra, DEN Networks and other Capital18 portfolio companies.

TELEVISION BROADCASTING

We have television channels in news and entertainment genres, including general news, business news, Hindi general entertainment, kids, factual entertainment, youth, English & factual entertainment genres as well as home shopping. As a television network, we reached an average of approximately 222.92 million television viewers in the first three months of the calendar year 2013 (Source TAM; CS 4+ Yrs, Market All India, Wk 1 '13 – Wk 13 '13).

NEWS

We operate one of India's leading television news networks. Our business news channels are CNBC-TV18, CNBC Awaaz, CNBC-TV18 Prime HD and our general news channels are CNN-IBN, IBN7 and IBN-Lokmat. Our long term brand licensing arrangements with CNBC and CNN have helped us strengthen our brand recall with Indian audiences. We believe that our strong branding, local programming, award-winning journalists and national news gathering infrastructure have established us as one of India's respected and credible news networks. Our guiding editorial philosophy is to provide coverage of both Indian and global news with a balanced perspective, in-depth analysis of critical issues and investigative reports in compelling presentation formats.

Business News

CNBC-TV18 & CNBC Awaaz are pioneers of business news broadcasting in India and have been acclaimed as leaders in the business news genre on Indian Television. The Network18 Group launched its business news operations in India with the launch of CNBC-TV18 in December 1999. In January 2005, the reach was expanded into Hindi-language business news with the launch of CNBC Awaaz. CNBC-TV18 and CNBC Awaaz, our business news television channels, were leaders in the English and Hindi business news genres with a 56% combined market share in the year ended December 29th, 2012, according to TAM.(Source: TAM; TG : CS AB Males 25+, Market: All India, Period: 1st Jan-29th Dec 2012, All Days, 0600-2400 hrs). The majority of our business news programming is researched, produced and edited by our local editorial teams and in-house studios, although we supplement this programming with CNBC's global content through our agreement with CNBC-AP.

The audience for CNBC-TV18 and CNBC Awaaz is highly diversified comprising of key groups such as business leaders, professionals, retail investors, brokers and traders, intermediaries, self employed professionals, high net worth individuals, students and even homemakers.

We believe CNBC-TV18 and CNBC Awaaz attract a considerable level of out-of-home viewership, particularly in corporate of ces, public marketplaces and other business areas. Thus, we believe that our viewership in the English and Hindi business news genres is higher than the viewership reported by TAM, which measures only in-home viewership. As evidence of this and the reach of these channels to af uent business leaders in India, the advertising power ratios of our business news television channels are higher than those of our entertainment television channels. Amongst all television genres, English General News and English business news tend to enjoy one of the highest power ratios (ad revenue percentage to viewership percentage ratios. Our channels, due to their leadership, command a significant proportion of ad revenues in their respective genres.

CNBC-TV18: CNBC-TV18 is India's No.1 English language business news television channel in terms of viewership, with 49% market share in the English business news genre (Source: TAM, Period: 1st Jan-29th Dec 2012, TG : CS AB Males 25+, All India, 0600-2400 hrs). It is targeted at English speaking consumers, investors, business leaders and other professionals and provides 24-hour coverage of corporate news, financial markets, industry news and expert perspectives on investing and management. CNBC-TV18 also airs programs that focus on the economic, governmental and cultural drivers that shape business in India. We operate this channel through an agreement with CNBC that gives us non-exclusive rights to distribute, re-transmit and exhibit, whether directly or through third party distributors, CNBC content within India. CNBC-TV18 is integrated across digital platforms and also provides news headlines, live streaming video feeds and financial market information via its partner website, moneycontrol.com, and mobile applications. CNBC-TV18 hosts a number of industry benchmark awards, such as the 'India Business Leader Awards', 'Emerging India Awards', 'CFO Awards' to recognize excellence in business leadership. Some of the popular programs on CNBC-TV18 include 'Bazaar Morning Call', our daily market opening show, and 'India Business Hour', which is a recap of the day's key business news. We also broadcast targeted special interest programs, such as 'Young Turks', a show on young entrepreneurs and achievers, 'Storyboard', an advertising and marketing program, 'Indianomics', a weekly program on India's place in the global economy, 'The Firm', a weekly show on corporate law, 'Overdrive', an automobile program, and 'Tech Toyz', a weekly program showcasing new consumer gadgets and technology. Over the years, CNBC-TV18 has received numerous awards including:

- Across the years, multiple 'Best Business Channel' citations for CNBC-TV18 at leading forums like the Indian Television Academy Awards, Indian Telly Awards, News Television Awards (NT Awards).
- Awards for CNBC-TV18's leading programs such as 'Young Turks' ('Best Business Talk Show', NT Awards 2007 & 2008), 'India Business Hour' (Daily primetime news cast, NT Awards 2010), 'What's Hot'('Best Talk Show on News & Current Affairs' 2005), 'Tech Toyz' (Technology show, NT Awards 2010 & 2013), 'Storyboard' ('Best Business News Show English', NT Awards 2007), 'Overdrive' ('Auto show', NT Awards 2010 & 2013)
- Awards for CNBC-TV18's leading journalists like Udayan Mukherjee ('Best Business News Anchor', NT Awards 2007, 2010 & 2011, Ramnath Goenka Journalist of the Year(Broadcast) 2012), Shereen Bhan ('Best Business News Anchor', NT Awards 2013, FICCI woman of the year 2005, named Young Global Leader by the World Economic Forum)
- CNBC-TV18 has been rated 'India's No.1 English News Channel' by the Exchange4media 'Pitch Brandometer Survey' 2009,2010
- Awards for numerous channel promos and creative work at acclaimed platforms such as Rapa, Promax & Promax BDA, News Television Awards.

CNBC Awaaz: CNBC Awaaz is India's No.1 Hindi business news television channel in terms of viewership, leading with 60% market share in the Hindi business news genre (Source: TAM, Period: 1st Jan-29th Dec 2012, TG : CS AB Males 25+, HSM, 0600-2400 hrs). CNBC Awaaz is aimed at Hindi speaking consumers, retail investors and business people and provides 24-hour coverage of subjects such as stock markets, mutual funds and commodities. It also offers a variety of personal finance programs covering topics such as financial literacy, shopping trends, service and product launches and personal taxation. Among CNBC Awaaz's popular programs are 'Stock 20-20', a pre markets opening show, 'Aaj Ka Karobaar' a daily evening program and leading feature shows like 'Tech Guru', 'Property Guru'. Key awards for CNBC Awaaz include:

- 'Numero Uno Business Channel' (NT Awards 2008)
- Awards for programming such as 'Pehla Sauda ('Live telecast show',NT Awards 2010), 'Awaaz Entrepreneur' ('Business Features Show', NT Awards 2010), 'Tax Guru' ('Best Business Talk Show', NT Awards 2009), 'Kaun Rahega Crorepati' ('Best Business Talk Show',NT Awards 2008) etc

General News

We operate 3 general news channels, namely CNN-IBN, IBN7 and IBN-Lokmat (In partnership with Lokmat Group). Through the 'IBN Network' of general and regional channels, we have established a strong presence in English, Hindi and regional news categories in the country. In the last few years, CNN-IBN, IBN 7 and IBN-Lokmat have come to represent a new credo in journalism epitomized by the values of 'Whatever it takes' and enlightened citizen activism.

CNN-IBN: CNN-IBN was launched in December 2005 as a 24-hour English news channel in India and has since become one of India's leading English language news and current affairs channels, capturing a genre leading 30.3% market share (Source: TAM, Market Share, Market: All India, Period: 01st Jan-29th Dec 2012, Time Period: 0600-2400, All Days, TG: CS AB 15-54). It provides 24-hour coverage of national and international news relating to politics, business and financial affairs, sports and entertainment. CNN-IBN, we believe, is highly regarded for its editorial integrity, high production standards and unbiased, issue based coverage of news and current affairs. The channel has transcended television, and reaches its viewers through various other media like Internet, mobile and voice. Among CNN-IBN's popular programs are 'India at 9', 'Face the Nation', 'The Last Word' and 'News 360', our daily primetime news programs. CNN-IBN also pioneered the concept of inclusive journalism in India with its program, Citizen Journalist and airs various news-driven specials from time to time. CNN-IBN is also integrated with the digital media businesses of Network18. Audiences can watch live streaming video feeds, access our live news updates and connect and interact with our news editors through our website www.ibnlive.com, our mobile applications and various communities. Ibnlive.com provides streaming video feeds, downloadable tickers and breaking news alerts on cell phones. Key Awards for CNN-IBN:

- Across the years, multiple 'Best English News Channel' awards for CNN-IBN at leading forums like the Indian Television Academy Awards, Indian Telly Awards, News Television Awards (NT Awards)
- Multiple Awards for Rajdeep Sardesai, Editor-in-Chief for IBN channels and other leading journalists
- Rajdeep Sardesai: 'Best News Anchor', ITA Awards (2006 to 2012), News Television Awards (2007, 2008, 2010, 2011 & 2013), Ramnath Goenka Excellence in Journalism award (2006-2007)
- Karan Thapar: Asian Television Awards (2007 & 2010), News Television Awards 2011, Indian News Broadcasting Awards (2008)
- Awards for CNN IBN's leading programs such as 'Citizen Journalist Show' (Asian Television Awards - 2010, 2011 & 2012), (Indian Television Academy Awards - 2009), (Indian Telly Awards - 2006); 'India at 9' (Asian Television Awards - 2010, NT Awards – 2007 & 2013); 'Living It Up' (Best Lifestyle & Fashion News Show: NT Awards – 2008 & 2011); 'State of the Nation' (NT Awards - 2008, Indian Telly Awards - 2006)

IBN7: IBN7, launched in March 2005, is a 24-hour Hindi language general news television channel. IBN-7 is emerging as one of the leading Hindi national news channels in the country leading peers such as News24 & NDTV India in the Hindi general news genre with a market share of 8.4% (Source: TAM Channel Share, Market: HSM, Period: 01st Jan-29th Dec 2012, Time Band:0600-2400, TG: CS Male 15+ yrs). IBN7 provides 24-hour coverage of national and international news relating to politics, business and financial affairs, sports and entertainment. IBN7 also provides its news broadcasts; streaming video feeds, downloadable stock tickers and breaking news alerts for cellular phones via its website, khabar.ibn.in.com. Key IBN7 Awards:

- Multiple Awards for IBN7's leading program 'Zindagi Live' ('Best News Talk Show', NT Awards 2008, 2009,2010, 2012, 2013), Indian News Broadcasting Award (2010), Indian Television Academy Awards (2010, 2013), Laadli Award (2009 & 2010)
- Awards for numerous channel promos and creative work at acclaimed platforms such as Promax & Promax BDA, Indian News Broadcasting Awards.

IBN-Lokmat: IBN-Lokmat, launched in April 2008, is a joint venture with Lokmat Newspapers Private Limited, is one of India's leading Marathi language general news and current affairs television channels, with a market share of 31% in its genre (Source: TAM; TG: CS AB 15+; Market: Maharashtra; Period: 1st Jan-29th Dec 2012, All Days, 0600-2400 hrs). IBN-Lokmat provides 24-hour coverage of national and international news relating to politics, business and financial affairs, sports and entertainment. The channel successfully completed five glorious years in 2013. Within a span of five years, the channel has managed to position itself on the top ladder in the regional news industry. It has won multiple awards for its programming:

- Reportaaz- Ramnath Goenka Awards (2010,2011) NT Awards (2010,2011,2012)
- Ladli Media awards gender sensitivity (2009,2012)
- Prime Time News Show- NT Awards (2010,2011,2012)
- Recipient of 12 National awards for its various shows in FY 2012 in the Marathi category.

GENERAL ENTERTAINMENT

We operate a network of general entertainment television channels i.e. Colors, Colors HD, MTV India, Vh1, Sonic, Nick, Nick Jr. and recently launched Comedy Central through Viacom18, a 50-50 joint venture between MTV Asia, a wholly-owned subsidiary of Viacom International Inc. and TV18 Broadcast Ltd. Our Viacom18 group channels collectively reach out to approximately an average of 127.7 million viewers across Hindi Speaking Markets and approximately an average of 141.9 million viewers across all India every week, according to TAM (Source: TAM; CS 4+ Yrs; Wk 1'13 – Wk 13'13). Viacom18 was also named one of the best places to work in the media and entertainment industry by the Great Places to Work Institute in 2012.

COLORS: Colors is Viacom 18's flagship brand in the mass entertainment space in India and among India's leading 24-hour Hindi entertainment channels in terms of viewership. With its engrossing line-up of fresh and distinctive programming, Colors has entertained and delighted audience across all demographics. With fresh show concepts winning millions of hearts, Colors continues to be one of the viewers' favourite channels, offering compelling programming across genres, ranging from family soaps to high voltage non-fiction entertainers to the most awaited Blockbuster Movies and star-studded events. The channel is committed to promoting cohesive viewing through much loved shows like Balika Vadhu, Uttaran, Madhubala, Sasural Simar Ka, Na Bole Tum Na Maine Kuch Kaha, India's Got Talent, Bigg Boss, and Jhalak Dikhla Jaa amongst others.

Colors was amongst the top ranking television channels in its genre (Hindi general entertainment television channel) in terms of viewership with a 18% market share (Source: TAM, Avg. Weekly GRPs, Period: wk 1 – 52 (Jan-Dec) 2012, CS 4+, HSM) and a 5.11% viewership market share amongst all TV channels in the year 2012 (Source: TAM; TG: CS 4+; Market: All India; Period: wk 1-52 2012, All Days, 0000-2400 hrs). Not only this, in the financial year 2012-2013, Colors was the 2nd ranked television channel in its genre in terms of viewership with a 19% market share (Source: TAM, Period: 1st Apr 2012 – 31st Mar 2013, CS 4+, HSM) and a 6.8% market share amongst all TV channels during the same period (Source: TAM; TG: CS 4+; Market: HSM; Period: 1st Apr '12 – 31st Mar '13, All Days, 0000-2400 hrs). In fact, within a few weeks of its launch, Colors had become the No.2 general entertainment channel in India (Source: TAM CS4+, HSM, September 28 - October 11, 2008 GRPs) and within 9 months of its launch it became India's No.1 Hindi general entertainment channel for the first time in the week ended April 11, 2009 (Source: TAM CS4+, HSM, April 5-11, 2009). Colors is also available as Colors HD, a high definition service, on key digital platforms that support HD broadcast. Since its launch, the channel has gained immense popularity through its focus on relevant and fresh concepts in Hindi GEC programming, with reality shows and serials such as 'Fear Factor- Khatron ke Khiladi', 'Bigg Boss', 'Balika Vadhu' and 'Uttaran'. Since its rise to No.1, Colors has consistently remained amongst the top 3 general entertainment channels. We believe that Colors, with its consistent leadership in the important and lucrative Hindi mass entertainment segment, is well positioned to act as a key value driver for Viacom18 and our company.

MTV India: MTV India with 21% market share is the most preferred youth channel in India (Source: TAM, Period- FY2012-2013 i.e. Apr 2012-Mar 2013, 15-24 SEC AB, HSM, 07:00 – 22:00). With diversity in its offering, the M in MTV epitomises a multidimensional and multiplatform approach, and the brand engages the audience at multiple levels. Globally, MTV has been the number one destination across platforms for young people. In India, MTV is distributed to 63mm households. In the social media space, MTV is the most followed brand across categories connecting 13 MM duplicated fan base across show pages. MTV engages with its audience through cult shows like MTV Roadies, Coke Studio@MTV, MTV Sound Trippin, MTV Unplugged, MTV Splitsvilla, MTV Reality Stars; or iconic VJ's like Rannvijay, Nikhil, Anusha & Bani, or hugely engaging digital properties like Roadies Battleground, Tata Nano Drive with MTV, MTV Gang Next, MTV Ecolution. Targeted brand licensing makes MTV products available across 35 unique categories and the MTV Live business gives young people their dose of MTV through properties like MTV Coke Studio Minicerts, MTV Bloc Party, MTV Aquanoon and MTV Video Music Awards. MTV Gatecrash is a music lover's getaway ticket to enjoy the best gigs in the country. The channel also encourages to give back to society with an initiative like MTVACT which works towards making the youth future friendly and also support organizations, NGO's and voluntary workers who are working towards issues concerning environment. MTV's philosophy - STAY RAW, is an idea that encourages young people to be and do only what they want to. Key Awards for MTV:

- MTV has received several recognitions for its channel properties such as Best branded content 'Coke Studio @MTV ', Best Youth reality show MTV Roadies, Best use of branded content Drive with MTV to name a few.
- MTV has also won multiple awards for innovative marketing and clutter breaking creative work, year on year, at acclaimed national and international platforms such as Festival of Media Asia, Envies, Promax and Goafest and was recently awarded the Pitch – Youth Marketer of the Year award 2012.

Nick: With a relative share of 16%, Nick reaches out to more than 11 million kids week on week (Source: TAM Period: Wk 1-52 (Jan-Dec) 2012, 4-14 ABC HSM 07:00 – 22:00). Nick is available in Hindi, English, Tamil and Telugu. With an approach that puts 'kids first', Nick is all about comedy, fun and humour and takes pride in encouraging kids to be themselves. With Nick's promise of 'Fun Unlimited', it has today become the preferred comedy destination for kids in India, with shows like Motu Patlu, Keymon Ache, Ninja Hattori and SpongeBob SquarePants, amongst many others. Being true to its philosophy of connecting with kids wherever they are, Nick gives kids a complete multi-platform brand experience with touch points ranging from on ground activation, digital innovation and consumer products to name a few. Key Awards for Nick:

- Promax World : Bronze for the Keymon Spin Comedy Program Promotion Campaign using Integrated Media
- WOW Awards 2012- Winner of the Bronze Award in the category: 'Nick Young Astronauts- Activation Program of the year by a media brand with on ground connect'

Sonic: The action and adventure channel launched in December 2011 and is targeted at boys. Sonic is a 24-hour digital channel available in English, Hindi and Bengali. Sonic will ride the wave of digitisation and grow as India gets digitised. The channel broadcasts some of the popular action shows like Power Rangers, Supastrikas and Kung Fu Panda-The Legend of Awesomeness' amongst others. Sonic, goes beyond television to engage and interact with its target audience by building the online community through www.sonicgang.com.

- 8 Awards for numerous channel promos and creative work at acclaimed national and international platforms such as Promax India(2 golds & 3 silvers), Promax Asia(Gold), and Promax World (2 silvers)

Nick Jr.: The channel was launched in December 2012 to connect with pre- schoolers aged 2 to 6 years and young mothers. The channel is truly the 'Smart Place to Play'. Nick Jr. is a digital channel in English & Hindi and aims to be like a surrogate mother handholding kids and helping them learn and develop new skills and knowledge in a way that is entertaining as well as caring. Nick Jr. educates and entertains through internationally acclaimed shows like Dora the Explorer. Go Diego Go, Blus Clues, Bubble Guppies and Wonderpets. With the launch of Nick Jr., the Nickelodeon franchise became an all-encompassing ecosystem for kids of all ages and brands of all genres, to interact, engage and grow together.

Vh1: Vh1 is a leader in the English music and lifestyle genre with a 26% market share, ahead of all English Entertainment and Lifestyle channels. (Source: TAM, Period: April 2012-March 2013), Markets: 5 Metros TG: 15-24 AB years SEC AB, Time Band: 7:00 to 24:00). The channel runs long-form differentiated content such as Jersey Shore, Pop Profiles, Metal Evolution, Guy Code etc

Comedy Central: Comedy Central had 15% market share within the first year of launch among 10 English Entertainment channels (Source: TAM, Period: April 2012-March 2013, Markets: 5 Metros TG: 25-34 AB years SEC AB, Time Band: 7:00 to 24:00). The channel is a destination for the biggest comedy shows including Saturday Night Live, Daily Show with John Stewart, Seinfeld, Anger Management, Suits etc

FACTUAL ENTERTAINMENT

We forayed into the Indian factual entertainment space through A+E Networks|TV18, a joint venture between TV18 Broadcast and A+E Networks, the global leader in factual entertainment. This venture launched HistoryTV18 in October 2011. Within a few weeks of launch, HistoryTV18 emerged as India's No.1 factual entertainment channel with an average weekly viewership share of 31% in 6 metros market cluster (Source: TAM, CS 15+AB, 6 Metros, Week 42, 2011 - Week 13, 2012, 0600-2400 Hrs; Average Weekly Market Share). HistoryTV18 broadcasts award-winning original non-fiction series and event specials that connect history with viewers in an informative, immersive and entertaining manner across multiple platforms. HISTORY TV18 sustained its superior content performance this year with the highest time spent per viewer of 27.3 mins in 6 metro market cluster vis-à-vis competition, a lead it has maintained since its launch. While new shows engaged new audiences, HISTORY TV18's regular shows continued to enthral old audiences. 'Pawn Stars', a show which best exemplifies HISTORY TV18's differentiated content was the most viewed in the Factual Entertainment genre, rating consistently on the launch of a new season**. Fresh from the success of its first local production 'The Greatest Indian', HISTORY TV18 launched its second local production 'Bollywood@100'. The channel continues to sustain a healthy engagement on Social Media platforms reaching over 1 million fans on Facebook. A large number of interesting discussions on Twitter have made HISTORY TV18's already thriving Twitter community one of the most active among Factual Entertainment channels with over 24,000 followers. With a connectivity of over 55 million households across leading cable and DTH platforms, the channel reaches out to more than 101 million viewers across India.

(* Source: TAM, Market: 6 Metros, TG: CS AB 15+, Period: Wk 14'12 to Wk 13'13 All Days, 0600-2400 hrs, ** Source: TAM, Market: All India, TG: CS AB 15+, Period: Wk 51'12 All Days, 0600-2400 hrs, Dur 10 min+)

FILM BUSINESS

VIACOM18 MOTION PICTURES: As part of the Viacom18 venture, under the brand name Viacom18 Motion Pictures, we are involved in the acquisition, production, syndication, marketing and distribution of full length feature films within India and the distribution of Indian films in several international markets. Viacom18 Motion Pictures is India's premier full-service motion pictures company, with business spanning concept (or creative) development, production, marketing, distribution, merchandising and syndication, worldwide. In just two and a half years of operations, Viacom18 Motion Pictures has emerged as a force to reckon with by delivering a stream of critically and commercially successful films that have appealed to millions of Indians all over the world. Viacom18 Motion Pictures has produced and distributed 20 Hindi and 13 Hollywood films in this short span of time. It also holds the rare distinction of having 11 titles in the last two years to have run successfully in theatres for more than 50 days. The Studio has also backed path-breaking and much-appreciated creative work in the form of hits like Special 26, Kahaani, Gangs of Wasseypur, OMG - Oh My God!, Shaitaan, That Girl in Yellow Boots, Pyaar ka Punchnama, Inkaar and Saheb, Biwi Aur Gangster Returns. Viacom18 Motion Pictures swept all the popular and critical film awards this year with Kahaani, and Gangs of Wasseypur taking the top honours. 2013's slate includes highly acclaimed films such as Bombay Talkies, Bhaag Milkha Bhaag, Madras Cafe, Queen and Boss. Viacom18 Motion Pictures also has an alliance with Paramount Pictures, the leading Hollywood studio, to distribute and market its films in the Indian subcontinent. This has seen blockbusters such as Transformers Dark of the Moon, Mission: Impossible Ghost Protocol, Madagascar 3, Hugo, Paranormal Activity and G.I. Joe: Retaliation being released in the country.

CONTENT ASSET MONETISATION - Broadcast & New Media Aggregation

INDIACAST: In July 2012, TV18 and Viacom18 formed a strategic joint venture called IndiaCast, a multi-platform 'content asset monetization' entity mandated to drive domestic distribution, placement services, international channel distribution & ad sales, new media (digital) distribution and content syndication for TV18, Viacom18, A+E Networks | TV18, ETV Channels and other broadcasters. IndiaCast's formation and mandate reflects the rapidly digitising and converging media and consumer landscape in India and abroad. Its operating philosophy is to aggregate and deliver content to distributors across mediums, platforms and geographies. As India's first multi-platform 'Content Asset Monetization' entity, it manages a wide portfolio of services including domestic channel distribution, international business (including channel distribution, advertising sales and content sales) and digital media content sales.

In a short period of time, IndiaCast has emerged as one of the country's leading content aggregators. In a key development, IndiaCast recently announced a joint venture with UTV Global Broadcasting focused on domestic broadcast distribution. As a result of this, IndiaCast has now emerged as one of India's leading and most diversified channel bouquets. It aggregates and distributes over 50 channels spanning genres including General Entertainment (Hindi & Regional), News (Hindi, English, Business & Regional), Music (Hindi & International), Kids (Comedy & Action), Movies (Hindi & English) etc

Internationally, IndiaCast has a portfolio of close to 10 channels (including Colors, MTV India International, Rishtey and various ETV regional services) that are viewed in over 70 countries as linear services. With a rich content library of 15000 hours across genres, IndiaCast Syndicates the content from the group in close to 100 countries in over 20 languages (including Hebrew, Russian, Serbian, Bosnian, Albanian, Macedonian, Croatian, Azeri, Kazakh, Swahili, English among others). With many 'Firsts' to its credit IndiaCast has ensured that the content from the Network 18 group (including linear distribution & syndicated shows) is now available in over 125 countries. A good example of opening new frontiers, IndiaCast has sold the remake rights for a COLORS' popular drama series 'Uttaran' to be produced locally in Western Africa in the regions local language - an absolute first for an Indian fiction show. The strategy has been focused on delivering world class content from the group to not only the large NRI diaspora across the world, but also local audiences in foreign territories.

Targeting the fast growing base of smartphone and PC/tablet users, IndiaCast delivers a wide range of content to various new media platforms including content from over 20 channels across genres of news, music, youth & lifestyle, general entertainment, infotainment in multiple languages. As broadband access expands and the online and mobile consumption of content grows, IndiaCast is well-positioned to deliver content seamlessly across devices and geographies. Apart from TV shows, IndiaCast also offers Indian feature films (both Bollywood & Regional) on digital platforms in India and overseas markets. IndiaCast's new media partners include leading global players such as YouTube, iTunes, apart from a host of domestic and regional platform providers.

DIGITAL CONTENT AND COMMERCE

Our digital content and commerce segment includes some of the leading Internet destinations in India. Our Internet and mobile properties deliver easy-to-use, informative and interactive experiences to users. We are the second most popular Indian online media company, according to comScore (December 2012), attracting an average of approximately 27 million unique visitors globally per month for the year ended December 31st, 2012. Our digital content and commerce segment includes (i) our content business that includes websites and mobile applications that cover general and business news, entertainment, technology, sports and consumer information and (ii) our digital commerce business that includes online and out-of-home shopping and ticketing. Unique visitors to our sites grew from 27.4 million in December 2011 to 31.2 million in December 2012, and in the period ended December 31st, 2012, we recorded over 1.1 billion total visits to our sites, according to Comscore.

DIGITAL CONTENT

moneycontrol.com: According to comScore, moneycontrol.com, which we acquired in June 2000, is one of Asia's popular financial news and services portals attracting approximately an average of 7.5 million unique visitors per month globally in the year ended December 31st, 2012. It is also the most popular financial services portal (excluding corporate banking websites) in India, according to comScore. We leverage our strengths in financial and business news and analysis in order to produce the content for moneycontrol.com. It offers investors free access to the latest business news and market updates, along with articles, independent analysis of investment options and financial planning, among other services. During India market hours, our message board, M3, is a popular destination for traders to exchange views on market and stock movements. Among our popular free applications is a live portfolio tracker, through which a user can record, update and analyze his or her financial transactions in real-time. We also offer a subscription-based service targeted at traders called PowerYourTrade as part of our moneycontrol.com offering. Moneycontrol.com is also the online and mobile partner to our television business news services in India. As part of our integrated business and financial services digital offerings, we also offer commoditiescontrol.com, a website targeted at commodity traders.

in.com: According to comScore, in.com, which we launched in 2008, is one of India's leading India-based news and entertainment portals, with approximately an average of 15.9 million unique visitors per month globally in the year ended December 31st, 2012. Through this portal we integrate and aggregate content from our network of websites and popular third party websites and engage with our users by offering communication and other services, such as social networking and user-generated content. In.com offers free content, including personalized communication services, such as e-mail, and other popular features, such as videos, games, music and other downloads.In.com also features live streaming video from our television channels and content partners, in addition to a large collection of songs. We also work closely with our entertainment channels to provide internet audiences with an integrated digital experience showcasing popular programs.

Firstpost.com: According to comScore, Firstpost.com, which was launched in 2011, attracted approximately an average of 3.5 million unique visitors per month globally in the year ended December 31st, 2012. Firstpost.com is an exclusive online news and views website that is truly digital and accessible across platforms and devices. Built on the fundamentals of blogging and the quick post, user interaction, discussion and debate, Firstpost presents a digital newsroom powered by expert writer-editors across the country and the globe to capture what we think is a powerfully shifting news and media consumption reality. Firstpost explores forms of curation, opinion writing, long form and short form that will be defined by sharp and insightful questions, strong commentary, breaking views and skilful selection and analysis. Its apps are also available on the iPhone and iPad. Keeping the principle of participation intact, Firstpost recently launched its new interactive, video views platform- YouSpeak which is a democratic platform for people to broadcast their views

IBNLive.com: According to comScore, IBNLive.com, which was launched in 2006, attracts approximately an average of 6.3 million unique visitors per month globally in the year ended December 31st, 2012 IBNLive.com provides not just news but 'news with interactivity'. The portals has unleashed an era of true cross media convergence with podcasts and live streaming of definitive news content. Users get access to real time coverage, sports updates, entertainment buzz, anchor blogs & chats and Live TV for CNN-IBN, IBN7 and IBN-Lokmat. Users can also access ibnlive on their smartphones via apps for iPhone, iPad, Android, Nokia, BlackBerry and Windows phones and also on WAP.

Mobile applications: We have an integrated strategy across our digital and mobile offerings. We have one of the largest mobile internet user bases in India, with an average of over 20 million visits and 150 million page views each month in the year ended Dec 31st, 2012. (Source: Google Analytics) We have built a subscriber base of over 4 million subscribers for more than 70 subscription services across SMS, WAP, IVR and used mobile platforms. Further, we have mobile-enabled versions of some of our websites and popular mobile applications, such as IBNLive, M3, and Markets on Mobile.

DIGITAL COMMERCE

HomeShop18: HomeShop18 is India's first comprehensive virtual retail business, selling popular brands to customers nationally, operating in a multimedia environment including Internet, TV and mobile. HomeShop18 sells a wide range of consumer products including books, tablets, laptops, mobile phones, electronics, apparels, cameras, jewellery, watches etc. HomeShop18 has over 500 brands spread across more than 12 million SKUs which are made available to customers in over 3,000 towns and cities in India. HomeShop18 witnessed an impressive 3.7 million transactions in 2012 (Jan-Dec 2012), representing a 97% increase during the same period in 2011. Homeshop18.com is one of the most popular India-based e-commerce website in terms of unique traffic (as per Comscore, Dec 2012). Homeshop18.com had over 7.7 million unique visitors in Dec 2012, which represents growth of over 185% from approximately 2.7 million unique visitors in December 2011. Homeshop18.com also recorded around 75 million page views as per Comscore, Dec 2012. The awards won by HomeShop18 include:

- HomeShop18.com was awarded for Social Media and Internet business at World Brand Congress, 2012
- HomeShop18 was honoured for Retail Excellence at Asia Retail Congress for Innovative retail concept of the year and Retailer of the year -E-commerce & online
- HomeShop18.com was awarded for E-retailer of the year and Best eRetail Marketing Initiative by Indian eRetail Awards 2013

BookmyShow: Bookmyshow.com, operated by Bigtree Entertainment Private Limited, in which we acquired an interest in 2007, provides online booking for movies, plays, sporting events and shows across India. It is India's leader in entertainment ticketing solutions, including online ticketing. The website services approximately 105 cities and 1400 screens in India. As of December 31st, 2012, bookmyshow.com had approximately 5 million registered users and recorded an average of 5 million unique visitors per month in the year ended December 31st, 2012, according to Google Analytics. In December 2012, bookmyshow.com recorded approximately 7.7 million total visits, which represents growth of 40% from approximately 5.5 million visits in December 2011, according to Comscore. We sold an average of over 2,000,000 tickets per month on bookmyshow.com in the last nine months ended December 31, 2012. In addition, BookmyShow is also the authorized distributor for ticket management software developed by Vista Entertainment, a New Zealand based company.

ALLIED BUSINESSES

We have entered various other businesses to strengthen our collection of media offerings, expand our future growth prospects, and provide specialized services to our other business segments, which we refer to as our allied businesses segment.

PUBLISHING & LOCAL SEARCH

Network18 Publishing: Pursuant to the scheme of demerger approved by the honourable High Court of Delhi in 2011, Infomedia18's publishing business has been demerged and consolidated within Network18 under 'Network18 Publishing'. The printing press business continues to remain as Infomedia Press Ltd. Network18 Publishing now encompasses the magazine publishing business of Infomedia18 -- Business to Consumer (B2C) magazines and Business to Business (B2B) magazines.

- Special interest publications: We publish 18 special interest magazines, 9 of which are in the business-to-business segment and 9 of which are in the business-to-consumer segment. Among our well-recognized business-to-consumer publications are Overdrive, Better Photography, Better Interiors, Chip and Entrepreneur. Our business-to-business publications target specific industries and provide businesses and professionals in such industries with information relevant to their industries. Among our well-recognized business-to-business publications are Auto Monitor, Modern Pharma, Modern Machine Tools, Search and Modern Medicare. We have a specialized editorial team dedicated to our business-to-business special interest publications and separate editorial teams for each of our business-to-consumer special interest publications. Each magazine employs a staff of both permanent and freelance writers and photographers for the production of creative content. Our special and premium business-to-consumer publications provide individuals information on various general and specialized topics, including business news and analysis. This helps consumers take an informed buying decision in diverse products from Automobiles, IT/Tech products as well as in Interior & office design.

Forbes India: Among our key business-to-consumer publications is Forbes India, which was launched in May 2009 in partnership with Forbes Media. Since its launch, Forbes India has established itself as one of the leading business magazines in India. Subsequently, we launched Forbes Life India, a quarterly English lifestyle magazine targeting India's affluent and influential individuals, and forbesindia.com. Today, the Forbes India ecosystem, spanning magazines, a web portal and mobile applications and on-ground events is one of the country's most preferred destinations for business leaders and entrepreneurs. In the year, Forbes India continued with its impressive growth deepening its engagement further with consumers and the industry. From its well-acclaimed 'lists' such as the Forbes India Rich List, Forbes India Celebrity 100 List to benchmark event properties such as the Forbes India Leadership Awards, Forbes India Million and popular Forbes India smartphone and tablet applications, the ecosystem caters to audiences across the board. Pursuant to Digital18's license agreement with Forbes, we have the right to use Forbes content for publication in Forbes India and forbesindia.com. We also share Forbes India content with our business news channels, CNBC-TV18 and CNBC Awaaz, the services offered by Newswire18 and our websites, moneycontrol.com.

EVENTS, SPORTS & ADVISORY

Event management: E18, our event management division, conceptualizes and stages various events such as concerts by international and Indian artists, award functions, business conferences, product launches and seminars. E18 cross-sells our media platforms to magnify our reach and communicate our message to a larger audience. E18 is present in Mumbai, New Delhi and Bangalore and has recently launched L'Experience 18, a luxury experimental marketing division to provide marketing solutions to the growing luxury sector in India.

Sports marketing and solutions: Sport18 is our sports marketing team with expertise in the creation of mass sports properties and rights management that have synergy with our television and digital assets. We also provide consultancy services to our clients in sports related areas.

Investment advisory and consultancy: Capital18 Media Advisors provides investment advisory and consultancy services, such as searching investment targets, valuation and investment due diligence and advice on structuring investments and transactions related to consultancy and advisory services, to clients in media and other industries in India. We also seek out promising entrepreneurs and growth companies across the media, education and technology industries to invest in the early and growth stages of these companies.

OUR STRENGTHS

We believe that we have the following competitive strengths:

Well-positioned in a digitized environment: Leadership in broadcast, digital content & commerce

We're one of the leading players in news and entertainment broadcasting, digital content and digital commerce business segments in the country positioning us uniquely to capitalise on a fast converging media and consumer landscape. We've an integrated portfolio that attracts a wide spectrum of economic sections and demographic groups in India. We are one of the leading news networks in India, operating news television channels: *CNBC-TV18, CNN-IBN, IBN7, CNBC Awaaz, IBN-Lokmat, CNBC-TV18 Prime HD*. We also operate entertainment television channels: *Colors, Colors HD, MTV India, Vh1, Nick, Nick Jr., Sonic, Comedy Central* and *HistoryTV18*. We also hold and operate market-leading digital content and commerce assets, including *moneycontrol.com, ibnlive.com, firstpost.com, in.com, homeshop18.com* and *bookmyshow.com*. As a television network, we reached an average of approximately 222.92 million television viewers in the first 3 months of calendar year 2013 (Source TAM; CS 4+ Yrs, Market All India, Wk 1 '13 – Wk 13 '13). We are also the second most popular Indian online media company, according to comScore (December 2012), attracting an average of approximately 27 million unique visitors globally per month for the year ended December 31st, 2012.

Strength of our 'Network' and 'Multi-platform' DNA

Our bouquet comprises of leading brands across some of the country's leading media segments. This allows each of our brands to benefit from the synergies that accrue as a result of being a part of a 'network'. We believe that as the Indian media industry expands, with new entrants and services being launched in a digitized environment, future growth will greatly rest with networks and how well each exploits available synergies. Within our existing bouquet, we continue to capitalize on synergies, from both the revenue and content perspective across ad sales, distribution and production.

Strong portfolio of market-leading brands

We have well-established brands across all the key segments we operate in including television, digital and print publishing, digital commerce etc. Colors, our Hindi general entertainment television channel, was among the top ranking television channels in its genre in terms of viewership with a 18% market share (Source: TAM, Avg. Weekly GRP's, Period: wk 1 – 52 (Jan-Dec) 2012, CS 4+, HSM) and a 5.11% viewership market share amongst all TV channels in the year 2012. (Source: TAM; TG: CS 4+; Market: All India; Period: wk 1-52 2012, All Days, 0000-2400 hrs). In the financial year 2012-2013, Colors was the 2nd ranked television channel in its genre in terms of viewership with a 19% market share (Source: TAM, , Period: 1st Apr '12 – 31st Mar '13, CS 4+, HSM) and a 6.8% market share amongst all TV channels in the fiscal year 2012 –'13. (Source: TAM;

TG: CS 4+; Market: HSM; Period: 1st Apr '12 – 31st Mar '13, All Days, 0000-2400 hrs). In fact, within a few weeks of its launch, Colors had become the No.2 GEC in India (Source: TAM CS4+, HSM, September 28-October 11, 2008 GRPs) and within 9 months from its launch it became India's No.1 Hindi GEC for the first time in the week ended April 11, 2009, (Source: TAM CS4+, HSM, April 5-11, 2009).

CNBC-TV18 and CNBC Awaaz, our business news television channels, were leaders in the English and Hindi business news genres with a 56% combined market share in the year ended December 29th, 2012, according to TAM (Source: TAM; TG : CS AB Males 25+, Market: All India, Period: 1st Jan-29th Dec 2012, All Days, 0600-2400 hrs). CNN-IBN, our general English news television channel, was the market leader in the general English news genre with a market share of approximately 30.3% market share (Source: TAM Market Share, Market: All India, Period: 01st Jan-29th Dec 2012, Time Period: 0600-2400, All Days, TG: CS AB 15-54). We believe that the strength of our brands in the business and general news genres has benefited from our brand licensing alliances with CNBC and CNN, which we believe provide us with a competitive advantage in the Indian media and entertainment industry.

Nick, our flagship entertainment television channel in the kids category reached out to more than 11 million kids week on week (Source: TAM Period: Wk 1-52 (Jan-Dec) 2012, 4-14 ABC HSM 07:00 – 22:00). MTV India with 21% market share is the most preferred channel in India with a mix of music & youth content in the younger demographic (Source: TAM, Period-FY2012-2013 i.e. Apr 2012-Mar 2013, 15-24 SEC AB, HSM, 07:00 – 22:00).

According to Comscore, moneycontrol.com is India's most popular non-bank, financial services portal, attracting approximately an average of 7.5 million unique visitors per month globally in the year ended December 31st, 2012, and in.com is one of India's leading entertainment portals, attracting approximately an average of 15.9 million unique visitors per month globally in the year ended December 31st, 2012.

Homeshop18.com is one of the most popular India-based digital commerce websites in terms of unique traf c as per Comscore. Homeshop18.com had over 7.7 million unique visitors in Dec 2012, which represents growth of over 185% from approximately 2.7 million unique visitors in December 2011. Homeshop18.com also recorded around 75 million page views as per Comscore, Dec 2012.

Bookmyshow.com is India's leader in entertainment ticketing solutions, including online ticketing. The website services approximately 105 cities and 1400 screens in India. As of December 31st, 2012, bookmyshow.com had approximately 5 million registered users and recorded an average of 5 million unique visitors per month in the year ended December 31st, 2012, according to Google Analytics. In December 2012, bookmyshow.com recorded approximately 7.7 million total visits, which represents growth of 40% from approximately 5.5 million visits in December 2011, according to Comscore. We sold an average of over 2,000,000 tickets per month on bookmyshow.com in the last nine months ended December 31, 2012.

We believe our market-leading brands allow us to cross-promote and cross-pollinate content through our television channels, digital and mobile properties and publications, attracting an increased number of users and greater advertising and subscription revenues. Further, based on our reputation and market-leading brands, if we choose to enter any other complementary media segments or genres, we believe we will be able to grow our advertiser and user bases more quickly than many of our competitors. We have invested in, and continue to promote, our brands through a focus on quality content and the use of various promotional and marketing tools.

Experienced management team

Our management team comprises industry executives with a significant number of years of experience in the Indian media and entertainment industry across various functions. For example, our founder and Managing Director, Mr. Raghav Bahl, has been named 'Media Person of the Year' by the All India Management Association in 2011 and 'Entrepreneur of The Year for Business Transformation' by Ernst & Young in 2007. Our management's expertise and knowledge of the Indian media and entertainment industry allows us to create products and platforms in response to audience preferences and industry drivers and trends. If we choose to enter a new media segment, or develop a business in one of our existing segments, we believe our management and experienced editorial staff will be well-positioned to successfully implement our strategic plans.

Ability to collaborate strategically with global and local media companies

We have an established track record of entering into successful strategic alliances with leading global and Indian media companies. We have forged partnerships with several leading global media players including *Viacom* in entertainment, *CNN* in English general news, *CNBC* in business news, *Lokmat* in Marathi regional news, *A+E Networks* in factual entertainment. In case of our global partnerships, we have invested into and built these brands in India over the years and we believe that our partners recognise the value we bring to these alliances which is demonstrated by their willingness to collaborate with us for extended periods. We believe that we derive substantial benefits through the licensing of brands and/or sharing of programming content and market knowledge with our partners where relevant. Our alliances provide us with significant synergy upsides through the sharing of strengths and reputational benefits. We believe that our continuing partnerships will assist us in building our market share in India and internationally.

OUR STRATEGY

Network18 is one of India's leading media groups with a strong leadership position in television broadcasting, filmed entertainment, digital content and commerce, special interest publishing and allied businesses. The rapid growth of the group over the years has been driven by an optimal combination of organic ventures, inorganic acquisitions and strategic alliances. We believe that our strong brand recognition and salience, our leadership position in television broadcasting and digital media and ability to leverage our media ecosystem position us well to capitalize on this promising and challenging growth opportunity ahead. The following are the key aspects of the group's business strategy:

Leverage the network strength to enhance our media offerings through organic and inorganic growth

Our integrated media portfolio, which includes television channels and digital properties, attracts a wide spectrum of economic and age demographics in India. The scale of our platform, we believe, positions us as the focal point of a unique ecosystem of consumers, advertisers, partners and talent in India. We believe we are well-positioned to introduce relevant and impactful offerings to our existing audiences and advertisers, drawing upon insights we have gained from our previous business launches and synergies with our existing operations. When we launch new shows, products or services, we intend to use our experience and media platform to share audiences, advertisers, partnerships and talent from our existing media and entertainment offerings, thereby improving our effectiveness and reducing costs.

Enhance our television broadcasting platform

We believe that there is an opportunity to expand the current reach of our television network by developing innovative content and entering new television genres. Our current television channels are concentrated in general news, business news, Hindi general entertainment, kids, youth, English and factual entertainment and teleshopping genres. In order to expand the reach of these current channels, we plan to experiment with new programming concepts, show formats and marketing initiatives.

Grow television subscription revenues and content monetization

India's television market has historically been primarily analog-based and the last-mile access to consumers' homes was controlled by a large number of local cable operators. Under-reporting of subscriber numbers was an industry practice in the Indian analog television industry, which reduced subscription revenues for broadcasters. However, we believe that the increasing penetration of direct-to-home television and digital cable in India, together with the Indian government's regulatory push for the digital addressable system (DAS) regime, will help correct structural anomalies in the Indian television market.

In contrast with some of our competitors in the television industry, our subscription revenues historically constituted a relatively smaller proportion of our total revenues. We believe that the increased digitization of India's television market will enable broadcasters to claim their rightful share of total domestic subscription revenues along with some rationalisation of their carriage payouts and this should impact us positively.

Through our IndiaCast joint venture, we intend to capitalise on the rapidly digitising and converging media and consumer landscape, using the strength and diversity of our bouquet of channels. Our focus is on improving our 'net distribution income' from distribution i.e. subscription revenues received less carriage fees paid by our network. We expect in the future to grow our subscription revenues substantially by leveraging our distribution alliances and increasing the international distribution of our channel services. We also intend to grow our subscription revenues by exploiting opportunities to syndicate our content on multiple platforms including online and mobile devices.

Continue to strengthen our businesses in digital content, e-commerce and publishing segments

We intend to further strengthen our digital content and commerce segment by investing in our existing market-leading brands and additional related areas that we view as growth opportunities. We believe that our position as one of the most popular Indian digital media companies globally, will help drive improved monetization of our digital assets as digital penetration in India grows and advertisers increase their proportion of spending in the digital medium. We believe that we have the opportunity to monetize our diverse and extensive library of news and entertainment content through emerging digital platforms. All our channels have a strong presence online and on the mobile and we hope to further strengthen this in light of the rapid changes occurring in the digital ecosystem, both in terms of content & distribution. We plan to continue creating new offerings that will leverage the introduction of 4G and broadband wireless access services in India. We believe that going forward, apart from digital publishing, print publishing will also evolve into a platform of agnostic services where content will be available across newsprint, devices and websites. We believe that we have a significant opportunity to expand the reach of our publishing assets by focusing in areas such as new media, events and value added services apart from print. We intend to also continue to grow our ecommerce capabilities, in line with the rapid growth of non-travel ecommerce in the country. We believe that our experience with electronic and new media platforms will help us in expanding our share in the Indian digital commerce space.

Strengthen our presence in the regional markets

From the point of view of consumer spending as well as industry and commerce, regional markets are increasingly becoming the growth engines of the Indian economy. Consequently, there's strong advertiser interest and audience demand for quality content and services and we see immense potential for growth in this segment of the industry. Regional markets particularly form a sizeable portion of the total TV pie accounting for approximately 26.6 percent of total television viewership in 2012 and an advertising market share of 27.2 percent, which is proportionate to their viewership share (Source: FICCI KPMG Report 2013). We intend to strengthen our presence in regional news and entertainment genres going forward.

ASSET MONETISATION – FY 2012-2013

During the year, we profitably sold our entire stake in Newswire18, divested our Yellow Pages and Askme businesses and diluted our majority stake in Bookmyshow. These transactions were in line with our stated objective of divesting stakes in non-core assets to create value for our shareholders and allowing infusion of growth capital in these assets to propel them to the next stage. The aforementioned transactions cumulatively added Rs. 180 crs to our profits for the year and raised Rs. 235 crs of cash for the Network18 group. Post the balance sheet date, we also entered into an agreement with OCP Asia Ltd. to raise growth capital in our premier virtual commerce business – HomeShop18.

- Bookmyshow: In August 2012, Network18 announced the dilution of its majority stake in India's premier entertainment ticketing website - Bookmyshow.com. Network18 was the majority shareholder in Bigtree Entertainment Private Limited, the holding company of the entertainment ticketing website BookMyShow.com, holding a 60% stake. Post the closure of the transaction with Accel Partners, Network18 continues to be the single largest shareholder in the company with a 40% stake.
- Newswire18: In December 2012, Network18 announced its agreement with Samara Capital to divest its entire stake in India's premier financial data and news terminal business – NewsWire18.
- Yellow Pages & Ask Me: In February 2013, Network18 announced its agreement with GETIT Infoservices Private Limited (GETIT) to profitably divest its premier local search businesses - Infomedia Yellow Pages and AskMe. The combined operations of GETIT will be referred to as 'Getit Infomedia' and will be wholly owned by shareholders of Getit.

HomeShop18*: In April 2013, Network18 announced that OCP Asia Ltd. (OCP Asia) - has entered into an agreement to invest USD 15 Million in India's premier virtual commerce business – HomeShop18. Network18 will also invest a similar amount in the company. Network18 will continue to be the majority shareholder in HomeShop18. *(*Post the balance sheet data for FY2012-2013)*

ETV ACQUISITION

In January 2012,the Board of Directors of TV18 Broadcast Limited (TV18) approved the acquisition of (i) 100% interest in regional news channels in Hindi namely ETV Uttar Pradesh, ETV Madhya Pradesh, ETV Rajasthan and ETV Bihar and ETV Urdu channel ("ETV News Channels"); (ii) 50% interest in ETV Marathi, ETV Kannada, ETV Bangla, ETV Gujarati and ETV Oriya ("ETV non Telugu GEC Channels") and (iii) 24.50% interest in ETV Telugu and ETV Telugu News ("ETV Telugu Channels"). At the same time, the Board of directors of Network18 Media & Investments Limited (Network18) and TV18 Broadcast Limited (TV18) announced Rights Issues of equity shares, the proceeds of which were to be utilised to repay existing debt and fund the acquisition of aforementioned channels. The rights issue was successfully completed in October and we are in the process of consummating the transaction, subject to pending regulatory approvals.

DISCLAIMER

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimate, 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 and industrial relations.

Corporate Governance Report

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 adopting global best practices in corporate governance and disclosure. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of corporate governance.

We believe that sound corporate governance is critical to enhance and retain investors' trust. Your Company always seeks to ensure that we attain our performance rules with integrity. Our corporate governance philosophy is based on the following principles:

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

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

BOARD OF DIRECTORS

The constitution of the Board aims at ensuring Directors commitment to participate in the affairs of the Company with understanding and competence to deal with current and emerging business issues to achieve the organizational goals.

(A) Composition of the Board

The current policy is to have an ideal combination of Executive, Non Executive and Independent Directors to maintain independence of the Board, and to separate the Board functions of governance and management. The Board of Directors of the Company consisted of six members out of which one is Managing Director, who is a Promoter Director and the remaining five are Non–Executive Directors, including two Independent Directors. The Chairman of the Board of Directors is a Non–Executive Independent Director. The Board believes that the current size is appropriate based on the company's present circumstances. The Board periodically evaluates the need for increasing or decreasing its size.

Name	Executive/ Non-executive/ Independent Director	No. of Directorships Held in Other Companies (a)	No. of Chairmanships / Memberships of other Board Committees (b)	
			Chairmanship	Membership
Mr. Manoj Mohanka	Non-executive/ Independent Chairman	6	3	4
Mr. Raghav Bahl	Executive/ Managing Director	7	1	-
Ms. Vandana Malik	Non-executive Director	1	-	1
Mr. Sanjay Ray Chaudhuri	Non-executive Director	6	-	2
Ms. Subhash Bahl	Non-executive Director	-	-	-
Mr. Hari S. Bhartia	Non-executive/ Independent Director	6	-	1

a. *For the purpose of considering Directorships in Other Companies, all the Public Limited Companies, whether listed or not has been considered. Private Limited Companies including the subsidiaries of Public Limited companies, Foreign Companies and their Indian/ foreign subsidiaries and Companies under Section 25 of the Companies Act, 1956 have not been included.*

b. *For the purpose of considering the total number of Memberships/ Chairmanships of committee(s) only Audit Committees and Shareholders'/ Investor Grievance Committees of all Public Limited Companies have been considered.*

c. *None of the Directors is a Member / Chairman in more than 10 / 5 committees of the Board of Directors across all companies in which they are the Directors.*

Appointment or Re-appointment of Directors and Details of Directors proposed to be appointed/re-appointed:

Mr. Hari S. Bhartia and Ms. Vandana Malik, Directors of the Company are retiring by rotation and being eligible, have offered themselves for re-appointment.

Mr. Hari S. Bhartia, is a chemical engineering graduate from Indian Institute of Technology ("IIT"), Delhi and was conferred the distinguished alumni award in 2000. Mr. Bhartia is the co-chairman of the Jubilant Group. Mr. Bhartia has over 23 years of experience in the pharmaceuticals, food, oil and gas, aerospace and information technology sectors. He has also served in various capacities with the IITs. He was Chairman of the Board of Governors with IIT Kanpur.

He is a past president of Confederation of Indian Industry and is currently Chairman, Board of Governors of the Indian Institute of Management, Raipur. He has also been a member of several Indian Government Committees on educational, science and technology programs.

Ms. Vandana Malik, holds a Bachelor's degree in History from the University of Delhi, India. She has over 16 years of experience in media & related sectors. From 1992 to 1994, she worked as Editorial Coordinator for Business India Television and Television Eighteen. She has been working as the Mumbai-bureau chief of TV18 since 1994 and in May 2006, she joined Studio18 as a creative director for the Feature Film production Unit.

Other Directorship/Committee Membership of the proposed appointees are given below:

Name of Director	**Other Directorships/Committee Membership details**	
	Name of the Public Limited Companies	**Position on the Board and Committee thereof**
Mr. Hari S. Bhartia	Jubilant Foodworks Limited	- Director - Chairman in Compensation Committee - Member of Remuneration Committee, Regulatory & Finance Committee
	Jubilant Life Science Limited	- Director - Chairman Corporate Governance Committee - Member in Sustainability Committee, Finance Committee & Compensation Committee
	Jubilant Industries Limited	- Director - Chairman in Investment Committee, Corporate Governance Committee, Finance Committee, Sustainability Committee, Restructuring Committee & Listing Committee - Member in Remuneration Committee
	TV18 Broadcast Limited	- Director - Member in Audit Committee, Remuneration/ Compensation Committee
	Jubilant Energy N.V., Netherlands	Director & Member in Nomination Committee
	Export Credit Guarantee Corporation of India Ltd.	Director
Ms. Vandana Malik	e- Eighteen.com Limited	Director & Member of Audit Committee

Board Meetings

During the financial year ended on March 31, 2013, Six Board Meetings were held. The Agenda and other relevant papers were circulated well in time.

Board meetings held during 2012-13 and Attendance of Directors

During the year under review, six Board Meetings were held on May 9, 2012, August 4, 2012, November 1, 2012, January 19, 2013, February 21, 2013 and March 22, 2013. Attendance of directors at the Board Meetings and AGM are given below :-

Name of the Directors	No. of Board Meetings attended	Attendance of the last AGM on September 14, 2012
Mr. Manoj Mohanka	5	Yes
Mr. Raghav Bahl	6	Yes
Ms. Vandana Malik	4	No
Mr. Sanjay Ray Chaudhuri	6	Yes
Ms. Subhash Bahl	5	No
Mr. Hari S. Bhartia	3	No

BOARD COMMITTEES

AUDIT COMMITTEE

The Primary objective of the audit committee of Network18 Media & Investments Limited (the Company) is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Audit Committee is constituted in accordance with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

(a) Terms of reference

The Committee deals with various aspects of financial statements, adequacy of internal controls, various audit reports, compliance with accounting standards, Company's financial & risk management policies besides monitoring the utilization of funds raised through Rights Issue. It reports to the Board of Directors about its findings & recommendations pertaining to above matters. The committee overseas the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor, and notes the processes and safeguards employed by them.

(b) Composition

The Audit Committee comprises of three Directors, two being Independent Non-Executive Directors and one is Non-Executive Director. All the members of the Committee are financially literate. Mr. Manoj Mohanka is a financial expert. The Company Secretary acts as the Secretary to the Committee.

Name	Executive / Non-executive / Independent	Position held
Mr. Manoj Mohanka	Non – Executive, Independent	Chairman
Mr. Hari S. Bhartia	Non – Executive, Independent	Member
Ms. Vandana Malik	Non-Executive	Member

(c) Meetings & Attendance

During the year, the Committee met four times and the maximum time gap between any two audit committee meetings during the year was less than four months. Minutes of the Audit Committee meetings were placed before and discussed by the Board.

Audit Committee Meetings held during 2012-13 and Attendance of Directors

During the year review four Committee Meetings were held on May 9, 2012, August 4, 2012, November 1, 2012 and January 19, 2013. Attendance of directors at the Committee Meetings are given below :-

Name of the Directors	No. of Meetings attended
Mr. Manoj Mohanka	4
Mr. Hari S. Bhartia	3
Ms. Vandana Malik	3

(d) Review of information by the Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

REMUNERATION COMMITTEE

(a) Terms of reference, power & role

The Committee deliberates on the remuneration policy of the Directors including granting options/ equity shares under various Employees Stock Option/ Purchase Plans of the Company. The purpose of the remuneration committee of the Board of Directors shall be to discharge the Board responsibilities relating to compensation of the Company's executive directors and senior management team. The Committee has overall responsibility for approving and evaluating the executive directors and senior management's compensation plans, policies and programs.

(b) Composition

Our Remuneration committee consists entirely of the Non-executive Directors including the Independent Director.

Name	Executive / Non-executive / Independent	Position held
Mr. Manoj Mohanka	Non-executive, Independent	Chairman
Mr. Hari S Bhartia	Non-executive, Independent	Member
Ms. Subhash Bahl	Non-executive	Member

(c) Meetings & Attendance

During the year under review, two Committee Meetings were held on August 4, 2012 and January 19, 2013. Attendance of directors at the Committee Meetings are given below :-

Name of the Directors	No. of Meetings attended
Mr. Manoj Mohanka	2
Mr. Hari S. Bhartia	1
Ms. Subhash Bahl	1

(d) Remuneration Policy

The Remuneration Policy of the Company is directed towards rewarding and motivating its employees for higher levels of individual performance that would have a direct bearing on the Company's performance in a competitive landscape.

(e) Details of the remuneration/sitting fees paid to all the Directors

Remuneration of Non-executive Directors:

During the financial year 2012-2013, except for the sitting fees, no remuneration was paid to the Non-executive Directors. Sitting fee/remuneration paid to the Non-Executive Directors & Executive Directors, for 2012-2013 is as detailed below:

Name	Executive/ Non-executive/ Independent Director	Business Relationship with Company, if any	Relationship with other Directors	Remu-neration (Rs.)	Sitting Fee (Rs.)	Total (Rs.)
Mr. Manoj Mohanka	Non-executive/ Independent Chairman	Nil			90,000	90,000
Mr. Raghav Bahl	Executive/ Managing Director	Nil	Son of Ms. Subhash Bahl and brother of Ms. Vandana Malik	10,944,000	-	10,944,000*
Mr. Sanjay Ray Chaudhuri	Non-executive Director	Nil	-	-	65,000	65,000
Mr. Hari S. Bhartia	Non-executive/ Independent Director	Nil	-	-	50,000	50,000
Ms. Subhash Bahl	Non-executive Director	Nil	Mother of Mr. Raghav Bahl & Ms. Vandana Malik	-	65,000	65,000
Ms. Vandana Malik	Non-executive Director	Nil	Sister of Mr. Raghav Bahl & daughter of Ms. Subhash Bahl	-	70,000	70,000

* Remuneration of Mr. Raghav Bahl i.e. Rs. 1,09,44,000 comprises of basic salary of Rs. 6,00,000 and perquisites & allowances of Rs. 8,64,000. There was no provision for performance linked incentive. Also, No notice period & service contract was executed for his appointment.

The Company has no policy of advancing any loans to Directors. It has not paid, so far, any commission on profits to any Director of the Company.

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company apart from receiving sitting fee for attending Board Meetings and Committee Meetings.

None of the directors have been issued any ESOPs during the year.

SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

(a) Terms of reference, powers & role of the Committee

The Committee specifically looks into the redressal of shareholders / investors' complaints.

(b) Composition

The Shareholders/Investors' Grievance Committee is constituted in accordance with the provisions of Clause 49 of the Listing Agreement. The Committee comprises of two Non–Executive Directors including one Independent Director. The details of the Committee are:

Name	Executive / Non-executive / Independent	Position held
Mr. Manoj Mohanka	Non-executive, Independent	Chairman
Ms. Vandana Malik	Non-executive	Member

(c) Number of Committee meetings & attendance

During the year under review, one Committee Meeting was held on April 13, 2012. Attendence of directors at the Committee Meeting are given below :-

Name of the Directors	No. of Meetings attended
Mr. Manoj Mohanka	1
Ms. Vandana Malik	1

(d) Name and Designation of Compliance Officer

Yug Samrat

Company Secretary & AVP -Corporate Affairs

Ph (+91 120) 4341818

Fax: (+91 120) 4324110

e-mail: yug.samrat@network18online.com

(e) Investors Grievance Committee report for the year ended March 31, 2013

The Committee expresses satisfaction with the Company's performance in dealing investors grievances. The Company received 38 complaints from the equity shareholders during the year, and Nil complaints from the holders of 5% Non Convertible Cumulative Preference Shares.

All complaints were resolved to the satisfaction of shareholders. Number of pending complaints as on March 31, 2013 was Nil.

Further, the Company has created an E-mail ID **investors.n18@network18online.com** exclusively for the purpose of registering complaints by investors.

Besides above mentioned committees, the Company has following working committees of the Board:

1. Share Transfer Committee
2. Rights Issue Committee
3. Finance Committee
4. Sub Committee
5. Allotment Committee
6. Postal Ballot Committee

GENERAL BODY MEETINGS

Details of last three Annual General Meetings

Year	Venue	Date	Time	Any special resolution
2010	M.P.C.U Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Nivas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi – 110 054	August 27, 2010	10:30 A.M.	NO
2011	M.P.C.U Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Nivas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi – 110 054	September 9, 2011	12:00 NOON	NO
2012	M.P.C.U Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Nivas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi – 110 054	September 14, 2012	10:30 A.M.	YES

Details of last three years' special resolutions

One special resolution was passed in last Annual General Meeting (2012-13).

Year	2010-11	2011-12	2012-13
Brief Particulars of Special Resolution(s)	NIL	NIL	Re-appointment of Mr. Raghav Bahl as a Managing Director.

Details of Postal Ballot Conducted last year and Voting Pattern

During the year, the Company conducted 2 postal ballots for the equity shareholders in accordance with the provisions of section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011. Postal Ballot Notices containing proposed resolutions and explanatory statements thereto were send to the registered addresses of the shareholders along with the Postal Ballot form and a postage pre paid envelope containing the address of the Scrutinizer appointed by the Board. The Postal Ballot Forms received within 30 days of dispatch were considered by the Scrutinizer and thereafter Scrutinizer submitted his report to the Company for declaration of results. Details of the voting pattern and resolutions are given below:

Name of the Scrutinizer	Mr. Anil K Bhayana, Practicing Company Secretary	
Date of Declaration of Postal Ballot Result	**Brief particulars of Resolution(s)**	**Percentage of votes cast in favour of resolution**
July 3, 2012	Ordinary Resolution pursuant to sections 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 to increase the Authorised Share Capital of the Company from Rs. 936.5 Crores to Rs. 2736.5 Crores.	99.01%
March 28, 2013	Ordinary Resolution pursuant to section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956 proving consent to sell and transfer the Company's Undertaking comprising of its Business Directories viz. 'Yellow Pages' and 'ASK ME' along with related assets.	99.97%

DISCLOSURE

I. Related Party Transactions

None of the transactions with any of the related parties were 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. 34 of Notes on Accounts, forming part of the Annual Report.

II. No penalty or strictures

There have been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties, strictures have 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 Clause 49 of the Listing Agreement.

IV. The Board reviews adoption of non-mandatory requirements of Clause 49 of the Listing Agreement by the Company from time to time.

COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

Management Discussion and Analysis

A Management Discussion and Analysis report have been provided separately as a part of this Annual Report and includes discussions on various matters specified under Clause 49(IV)(F) of the Listing Agreement.

Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

Code of Conduct

The Board has laid down a code of conduct for all Directors and Senior Management Executives of the Company as required under Clause 49(D) of the Listing Agreement. This code is also posted on the website of the Company www.network18online.com. All the Board Members and Senior Management Personnel to whom this code of conduct is applicable have af rmed compliance with the applicable codes and a certificate of the Network18 Group CEO to this effect has been annexed in this report.

Corporate Social Responsibility

At Network18, we strive to put in our best efforts towards being socially responsible. We have different programs running for the benefit of our employees and their families. Some of them are as follows:

SUCES (Supporting Child Education of Staff): This program is aimed at aiding the education of children of our lowest rung employees, the staff. These are typically our drivers, peons, riders, etc. whose low income does not help much with the well being and education of their children. It is a voluntary program where an employee of the Network can contribute money to the SUCES corpus on a monthly basis. Based on the funds generated, every quarter the eligible children are provided monetary support on submission of proper documentary proof from the school. Children studying in KG to Undergraduate College are covered as part of this program. Currently, we are supporting around 200 such children.

Family Healthcare: As part of our Benefits plan, we have covered the employee and their families under a Medical cover which comprises of various illnesses.

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

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

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

Code of Conduct for Prohibition of Insider Trading

The Company has also adopted the Code of Conduct for Prohibition of Insider Trading of shares of the Company as provided under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time. This Code has also been posted on the website of the Company www.network18online.com

Number of Equity Shares held by the Non Executive Directors as on March 31, 2013

S. No.	Name of Director	No. of Equity Shares
1.	Mr. Sanjay Ray Chaudhuri	8,86,242
2.	Ms. Subhash Bahl	4,19,960
3.	Mr. Manoj Mohanka	3,91,000
4.	Ms. Vandana Malik	6,76,236

RECONCILIATION OF CAPITAL

A qualified practicing Company Secretary carried out quarterly Secretarial Audit which is now known as reconciliation of share capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. It has been confirmed that the total issued/ paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

MEANS OF COMMUNICATION

The Company has been sending Annual Reports, notices and other communications through post or courier modes. However, the Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued a circular on April 21, 2011 stating that the service of document by a company can be made through electronic mode.

The Quarterly, Annual Results of the Company as per the statutory requirement under Clause 41 of the Listing Agreement with stock exchanges are generally published in the Financial Express/Business Standard (English Newspapers) and Jansatta/ Business Standard (Hindi Newspapers) and are sent to the Stock Exchanges.

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

Of cial News Releases and Presentations made to Institutional Investors or to the analysts are also displayed on the website of the Company.

GENERAL SHAREHOLDER INFORMATION

Forthcoming Annual General Meeting

Time	4.00 P.M.
Venue	M.P.C.U Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Nivas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi – 110 054
Day and date	Monday, July 29, 2013

Financial Calendar: [tentative]

Our tentative Calendars for declaration of results for the FY 2013-14 is given below:

Financial Reporting for the quarter ending June 30, 2013	By second week of August 2013
Financial Reporting for the quarter ending September 30, 2013	By second week of November 2013
Financial Reporting for the quarter ending December 31, 2013	By second week of February 2014
Financial Reporting for the year ending March 31, 2014	Unaudited financials by second week of May 2014 or Audited financials by Last week of May 2014.

- **Dates of Book Closure:** The share transfer books and register of members of the Company shall remain closed from 22nd July 2013 to 29th July 2013 (both days inclusive).
- **Dividend Payment date:** No Dividend is proposed/declared during the year.
- **Outstanding GDRs/ADRs/ and Convertible Bonds, Conversion**
  1. The Company has not issued any ADRs/GDRs during the year under review.
  2. The Company has redeemed 18,691,585 10% Secured Optionally Fully Convertible Debentures (SOFCDs) of a par value of Rs. 160.50 per SOFCDs, **on October 12, 2012**, which were allotted to certain Promoters and Promoter Group entities. Therefore, the Company has no outstanding Convertible warrants as on March 31, 2013.
  3. There is no outstanding GDRs/ADRs and Convertible Bonds.
- **Corporate Identity Number ('CIN')**

  Our Corporate Identity Number (CIN) allotted by Ministry of Corporate Affairs, Government of India is **"L65910DL1996PLC076419"** and the Company Registration No. is **55-076419**.The registered of ce of the Company is situated in the National Capital Territory of Delhi.
- **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)
- **Listing on Stock Exchanges & Stock Code**

  Equity Shares of the Company are listed and traded on Bombay Stock Exchange and National Stock Exchange.

Stock Exchange	**Code-Equity**
Bombay Stock Exchange	532798
National Stock Exchange	Network18
ISIN Code	Equity Share-INE870H01013

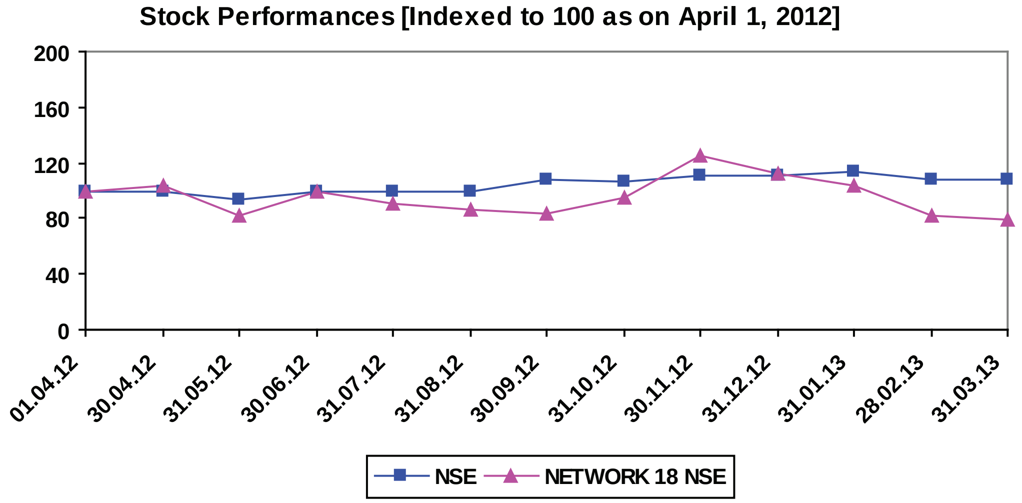
The Company has paid the annual listing fees to the Stock Exchanges.

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

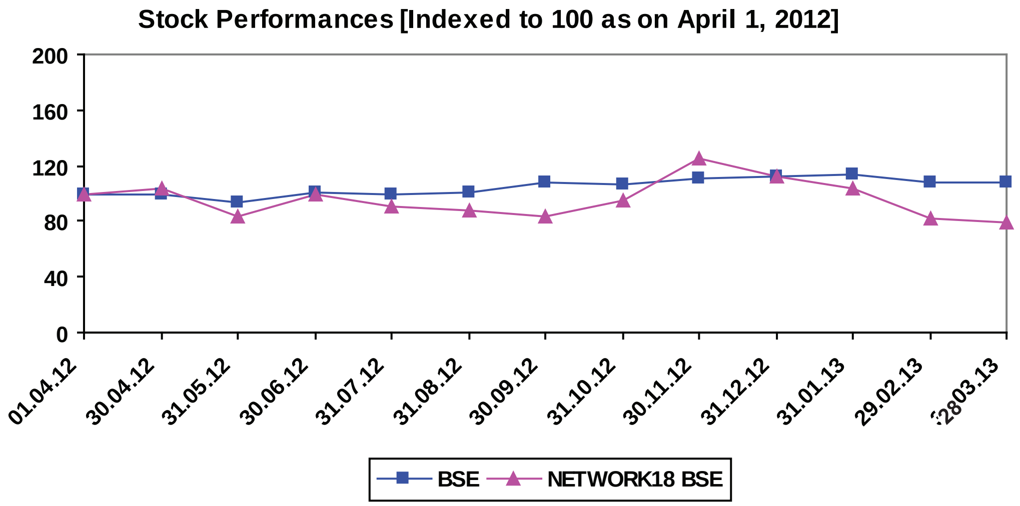
Rs./ Per Share

Month	**High**		**Low**	
	NSE	**BSE**	**NSE**	**BSE**
April 2012	42.00	42.40	36.20	36.50
May 2012	40.70	40.65	29.80	30.10
June 2012	39.20	39.35	28.75	29.10
July 2012	37.40	37.45	30.00	29.50
August 2012	35.40	39.40	30.25	30.40
September 2012	33.50	36.15	28.10	26.00
October 2012	39.90	39.80	30.00	30.05
November 2012	47.40	47.30	33.80	33.80
December 2012	47.80	47.80	40.15	40.20
January 2013	47.35	47.30	37.20	36.00
February 2013	40.05	40.05	29.55	29.50
March 2013	34.40	34.50	28.30	28.25

Comparison of the stock performances with NSE NIFTY



Comparison of the stock performances with BSE SENSEX



Address of the Registrars & Share Transfer Agent

Karvy Computershare Private Limited,
Plot no. 17 - 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081
Telephone and Fax : Tel No: +91 40 2342 0818, Fax No +91 40 2342 0814,
Email id: einward.ris@karvy.com website : www. karvycomputershare.com

Share Transfer System

Share transfers in physical form are registered and returned within the stipulated time, if documents are clear in all respects.
The shares of the Company are freely tradable on BSE and NSE. As on March 31, 2013 there were 212450 shares in physical form constituting 0.02% of the total shareholding of the Company.

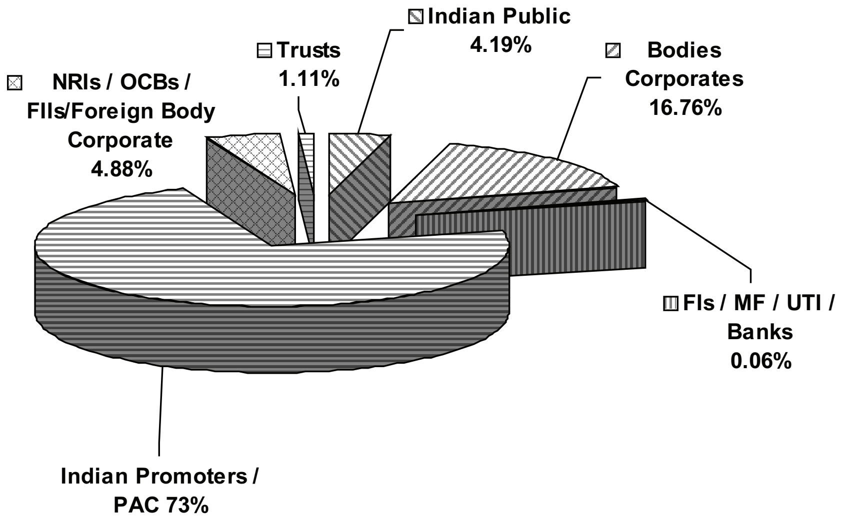
Other details are as under:

- Approximate time taken for share transfer if the Documents are clear in all respects : 15 days
- Total No. of shares dematerialized as on 31.03.2013 : 1046220752
- Total No. of Shares in physical form : 212450
- Total No. of shares transferred in physical form during 2012-2013 : 945
- Number of Shares pending / Rejection for Transfer as on March 31, 2013 : 18

Distribution of shareholding as on March 31, 2013

S.No.	Category	No. of Equity shareholders	No. of Equity shares	% of total shares
1.	Indian Public	69,661	43,870,482	4.19
2.	Bodies Corporate	1,435	17,54,30,368	16.76
3.	FIs/ Mutual Funds/ UTI/ Banks	22	6,25,638	0.06
4.	Indian Promoters	18	76,38,96,237	73
5.	NRIs/ OCBs/ FIIs/ Foreign Body Corporate	408	5,10,18,822	4.88
6.	Trusts	17	1,15,91,655	1.11
Total		**71561**	**1,04,64,33,202**	**100%**

Graphic presentation of the Shareholding Pattern as on March 31, 2013



Distribution Schedule as on March 31, 2013

Sno	Category	No. of Holders	% of Holders	Amount (In Rs.)	% of Holding
1	upto 1 - 5000	67867	94.84	32964775.00	0.63
2	5001 - 10000	1538	2.15	11421590.00	0.22
3	10001 - 20000	847	1.18	12154630.00	0.23
4	20001 - 30000	418	0.58	10463970.00	0.20
5	30001 - 40000	161	0.22	5662245.00	0.11
6	40001 - 50000	158	0.22	7373440.00	0.14
7	50001 - 100000	237	0.33	17135225.00	0.33
8	100001 & ABOVE	335	0.47	5134990135.00	98.14
	Total:	**71561**	**100.00**	**5232166010.00**	**100.00**

Registered Office Address
Network 18 Media & Investments Limited
503, 504 and 507, 5th floor ,
Mercantile House, 15, K G Marg,
New Delhi - 110001
Phone Nos. : (011) 498 12600
Fax No. : (011) 415 06115

Address for Correspondence/Corporate Office
Network 18 Media & investments Limited
Express Trade Tower,
Plot No. 15-16,
Sector-16A, Noida, U. P.
Phone Nos. : (0120) 434 1818
Fax No. : (0120) 432 4110
Email : yug.samrat@network18online.com

CEO AND CFO CERTIFICATION

We, B.Saikumar, Network18 Group CEO and R. D. S. Bawa, Network18 Group CFO, responsible for the finance function and the compliance of the Code of Conduct of the Company certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2013 and to the best of our knowledge and belief:

i) These statements do not contain any material untrue statement or omit any material fact or contains statements that might be misleading.

ii) These statements together represent a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's Code of Conduct.

3. We accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps we have taken or propose to take to rectify these deficiencies.

4. During the year there were no –

(i) Changes in internal control.

(ii) Changes in accounting policies; and

(iii) Instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

for **Network18 Media & Investments Ltd**

B.Saikumar	**R.D.S Bawa**
Network18 Group CEO	**Group Chief Financial Officer**

Place: Noida
Date: May 13, 2013

DECLARATION UNDER CLAUSE 49-I(D) OF THE LISTING AGREEMENT

Dear Members,

In compliance with the provisions of Clause 49 of the Listing Agreement, the Company had laid down a "Code of Conduct" to be followed by all the Board members and senior management personnels which received the sanction of the Board and has been posted on the website of the Company – www.network18online.com. The Code lays down the standards of ethical and moral conduct to be followed by the members in the course of proper discharge of their of cial duties and commitments. All the members are duly bound to follow and confirm to the Code.

It is hereby certified that all the members of the Board and senior management personnel have confirmed to and complied with the "Code of Conduct" during the financial year 2012-13 and there has been no instances of violation of the Code.

For **Network18 Media & Investments Limited**

B.Saikumar
Network18 Group CEO

Place : Noida
Date : May 13, 2013

Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreements(s)

Network18 Media & Investments Limited
503, 504 & 507, 5th Floor, Mercantile House,
15, Kasturba Gandhi Marg,
New Delhi-110 001

1. We have reviewed the implementation of the corporate governance procedures by Network18 Media & Investments Limited (the Company) during the year ended March 31st 2013, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate governance, as approved by the Board of Directors.

2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

3. We further state that such compliance is neither an assurance as to the future viability of the company nor the ef ciency or effectiveness with which the management has conducted the affairs of the Company.

4. On the basis of our review and according to the best of our information and according to the explanations given to us, the Company has been complying with the conditions of Corporate Governance, as stipulated in the clause 49 of the Listing agreements (s) with the Stock Exchanges, as in force.

For N.K.J. & Associates
Company Secretaries

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

Place : New Delhi
Date : May 13, 2013

Independent Auditors' Report

To the Members of Network 18 Media & Investments Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Network18 Media & Investments Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2013**,** and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

5. We believe that the audit evidence we have obtained is suf cient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

6. *The Company has paid Rs. 26,388,400 as managerial remuneration to its managing director upto 31 March 2013 (upto 31 March 2012: Rs. 20,100,400), which is in excess of the limits prescribed under the Act. Had the Company accounted for the remuneration in accordance with the Act, the net loss after tax for the year ended 31 March 2013 would have been lower by Rs. 26,388,400 (for the year ended 31 March 2012: Rs. 20,100,400) and Short-term loans and advances would have been higher by Rs. 26,388,400 (as at 31 March 2012: Rs. 20,100,400). Our report on the financial statements for the year ended 31 March 2012 was also qualified in respect of this matter.*

Qualified Opinion

7. *In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*
   - *i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2013;*
   - *ii) in the case of Statement of Profit and Loss, ofthe loss for the year ended on that date; and*
   - *iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.*

Emphasis of Matter

8. We draw attention to Note 4 to the financial statements in connection with the scheme of arrangement between the Company and Infomedia Press Limited ('Infomedia'), a subsidiary company, approved by the Hon'ble High Court of Delhi, made effective on 1 June 2012 with an appointed date of 1 April 2010. Pursuant to the terms of the said Scheme, the Company has adjusted the diminution, other than temporary, in the carrying value of its Non-current investments through Securities Premium Account, which otherwise would have been debited to the Statement of Profit and Loss in accordance with accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the

matters specified in paragraphs 4 and 5 of the Order.

10. As required by Section 227(3) of the Act, we report that:
    a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
    c. the financial statements dealt with by this report are in agreement with the books of account;
    d. Except for the effect of the matter described in the Basis of Qualified Opinion paragraph,in our opinion, the financial statements comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act; and
    e. on the basis of written representations received from the directors, as on 31 March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **Walker, Chandiok & Co**
Chartered Accountants
Firm Registration No.: 001076N

per **B.P. Singh**
Partner
Membership No.: 70116

Place : Noida
Date : May 13, 2013

Annexure to the Independent Auditors' Report of even date to the members of Network18 Media & Investments Limited, on the financial statements for the year ended 31 March 2013

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

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

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) In our opinion, a substantial part of fixed assets has not been disposed off during the year.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) (a) The Company has granted unsecured loans to two parties covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year is Rs. 1,544,854,134 and the year-end balance is Rs. 1,544,854,134.

(b) In our opinion, the rate of interest and other terms and conditions of such loans are not, *prima facie*, prejudicial to the interest of the Company.

(c) In respect of loans granted, the principal and interest amount is not due for repayment currently.

(d) There is no overdue amount in respect of loans granted to such companies, firms or other parties.

(e) The Company has taken secured loans from six parties covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year is Rs 3,452,676,048 and the year-end balance is nil.

(f) In our opinion, the rate of interest and other terms and conditions of loans taken by the Company are not, *prima facie,* prejudicial to the interest of the Company

(g) In respect of loans taken, repayment of the principal amount and the interest is regular.

(iv) Owing to the nature of its business, the Company does not sell any goods. Accordingly, clause 4(iv) of the Order with respect to sale of goods is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas

(v) (a) In our opinion,the particulars of all contracts or arrangements that need to be entered into the register maintained underSection 301 of the Act have been so entered.

(b) In our opinion, the transactions made inpursuance of such contracts or arrangements and exceeding the value of Rs five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 58A and 58AA and other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975, as applicable, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.

(vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act in respect of Company's services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been significant. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, customs duty,excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.

(x) In our opinion, the Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth. *The Company has incurred cash losses in the current and the immediately preceding financial year.*

(xi) In our opinion,the Company has not defaulted in repayment of dues to any financial institution or a bank or to debenture-holders during the year.

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, provisions of clause 4(xiii) of the Orderare not applicable.

(xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.

(xv) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, *prima facie,* prejudicial to the interest of the Company.

(xvi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.

(xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment by the Company.

(xviii) During the year, the Company has not made any preferential allotment of shares to companies covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.

(xix) The Company has created security in respect of debentures outstanding during the year.

(xx) We have verified the end use of money raised by public issue as disclosed by the management in the other explanatory informationto the financial statements.

(xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For **Walker, Chandiok & Co**
Chartered Accountants
Firm Registration No.: 001076N

per **B.P. Singh**
Partner
Membership No.: 70116

Place : Noida
Date : May 13, 2013

Balance Sheet as at 31 March 2013

	Notes	**As at 31 March 2013 (Rs.)**	As at 31 March 2012 (Rs.)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	**6,774,822,860**	2,257,056,430
Shares pending allotment	3(j)	**-**	18,396,780
Reserves and surplus	4	**29,545,204,008**	8,074,442,779
Non-current liabilities			
Long-term borrowings	5	**770,080,671**	837,372,486
Other long term liabilities	6	**51,175,845**	55,171,352
Long-term provisions	7	**2,427,575,840**	2,423,117,322
Current liabilities			
Short-term borrowings	8	**1,052,711,000**	5,056,249,713
Trade payables	9	**535,460,212**	764,958,944
Other current liabilities	10	**1,085,348,225**	6,297,129,043
Short-term provisions	11	**25,862,112**	27,901,193
		42,268,240,773	25,811,796,042
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12	**150,504,993**	196,566,505
Intangible assets	13	**51,835,785**	53,719,249
Capital work-in-progress		**1,050,000**	-
Intangible assets under development		**18,998,828**	5,658,611
Non-current investments	14	**31,245,651,911**	17,920,523,506
Long-term loans and advances	15	**6,777,460,974**	5,849,540,470
Trade receivables - non current	16	**5,400,302**	13,815,267
Other non-current assets	17	**341,796,812**	105,624,211
Current assets			
Current investments	18	**2,069,955,488**	1
Inventories	19	**-**	18,691,910
Trade receivables - current	20	**430,176,961**	475,377,334
Cash and bank balances	21	**514,502,537**	236,265,578
Short-term loans and advances	22	**435,588,741**	815,040,328
Other current assets	23	**225,317,442**	120,973,072
		42,268,240,773	25,811,796,042

Notes 1 to 51 form an integral part of these financial statements

This is the balance sheet referred to in our report of even date

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : May 13, 2013

For and on behalf of Board of Directors of

Raghav Bahl
Managing Director

Sanjay Ray Chaudhuri
Director

R D S Bawa
Group Chief Financial Of cer

Yug Samrat
Company Secretary

Statement of Profit and Loss for the year ended 31 March 2013

	Notes	**Year Ended 31 March 2013 (Rs.)**	Year Ended 31 March 2012 (Rs.)
Revenue			
Revenue from operations	24	**1,948,913,547**	1,832,112,150
Other income	25	**831,985,500**	814,353,070
Prior period income	31	**8,159,846**	-
Total revenue		**2,789,058,893**	2,646,465,220
Expenses			
Costs of material consumed	26	**24,896,904**	130,327,122
Employee benefits expense	27	**933,853,442**	1,015,707,078
Other operating expenses	28	**1,631,614,135**	1,885,043,768
Depreciation and amortization expense	29	**105,861,505**	88,150,795
Finance costs	30	**1,068,649,856**	1,306,801,367
Prior period expenses	31	**-**	132,564,219
Total expenses		**3,764,875,842**	4,558,594,349
Loss before exceptional items and tax		**(975,816,949)**	(1,912,129,129)
Exceptional items	32	**(676,726,895)**	-
Loss before tax		**(299,090,054)**	(1,912,129,129)
Loss for the year from continuing operations before tax	48	**(692,167,286)**	(1,556,078,825)
Income tax expense of continuing operations			
Current tax		**-**	-
Income tax prior years (written back)		**-**	7,176,267
Loss for the year from continuing operations after tax		**(692,167,286)**	(1,563,255,092)
Loss for the period from discontinuing operations before tax	48	**(111,730,373)**	(356,050,304)
Gain on transfer of assets and liabilities of discontinuing operations		**504,807,605**	-
Income tax expense of discontinuing operations		**-**	-
Loss for the year from discontinuing operations after tax		**393,077,232**	(356,050,304)
Loss for the year		**(299,090,054)**	(1,919,305,396)
Basic and diluted loss per equity share [nominal value of share Rs.5]	33	**(0.52)**	(12.85)

Notes 1 to 51 form an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : May 13, 2013

For and on behalf of Board of Directors of

Raghav Bahl
Managing Director

Sanjay Ray Chaudhuri
Director

R D S Bawa
Group Chief Financial Of cer

Yug Samrat
Company Secretary

Cash Flow Statement for the year ended 31 March 2013

		Year Ended 31 March 2013 (Rs.)	Year Ended 31 March 2012 (Rs.)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Loss before tax	**(299,090,054)**	(1,912,129,129)
	Adjustments for :		
	Depreciation and amortization expense	**105,861,505**	88,150,795
	(Profit)/loss on disposal of assets	**(74,196,765)**	8,569,435
	Provision/write off for non recoverable employee advances (included in "employee benefits expenses")	**-**	58,876,640
	Employee stock compensation expense	**7,353,010**	16,253,707
	Finance costs	**1,068,649,856**	1,306,801,367
	Bad debts /advances written off /provided for	**46,812,813**	90,987,381
	Amortisation of expenses on proposed issue of securities	**-**	54,517,737
	Unrealised loss/(gain) on exchange rate fluctuation (net)	**549,484**	(822,335)
	Dividend income from current investments	**(90,940,281)**	-
	Profit on sale of current investments	**(436,573,055)**	(557,247,815)
	Exceptional items	**(676,726,895)**	-
	Excess provisions/ liabilities written back	**(52,740,256)**	(9,593,445)
	Interest income	**(180,924,328)**	(229,135,481)
	Operating loss before working capital changes	**(581,964,966)**	(1,084,771,142)
	Adjustments for :		
	Changes in assets other than fixed assets and investments	**189,282,501**	124,989,412
	Changes in liabilities other than borrowings	**(210,193,138)**	(739,594,918)
	Cash used in operations	**(602,875,603)**	(1,699,376,648)
	Taxes paid (net of refund)	**(83,001,720)**	16,478,522
	Net cash used in operating activities	**(685,877,323)**	(1,682,898,126)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including capital advances)	**(92,759,403)**	(105,034,548)
	Sale of fixed assets	**95,265,392**	2,165,600
	Sale of long term investments		
	- in subsidiaries (equity and preference shares)	**531,224,188**	-
	- in other companies	**-**	233,876,877
	(Purchase)/sale of current investments (net)	**(1,633,382,431)**	3,321,988,440
	Purchase of long term investments:		
	- in subsidiaries (equity/preference shares/debenture)	**(13,949,868,280)**	(338,802,794)
	(Investment in)/redemption of fixed deposits with banks	**(173,457,839)**	65,000,000
	Decrease/(increase) in other bank balances	**416,710**	(1,699,982)
	Proceeds from sale of business	**300,000,000**	-
	Loan given to subsidiaries / others	**(755,524,211)**	(5,685,400,000)
	Dividend received on current investments	**90,940,281**	-
	Interest received	**119,009,339**	153,820,264
	Net cash used in investing activities	**(15,468,136,254)**	(2,354,086,143)

Cash Flow Statement for the year ended 31 March 2013 (Contd.)

		Year Ended 31 March 2013 (Rs.)	Year Ended 31 March 2012 (Rs.)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	**(1,247,868,838)**	(1,002,672,664)
	Expenses related to issue of securities / restructuring	**(434,066,509)**	(34,848,491)
	Proceeds from issue of equity shares	**26,996,217,900**	2,051,305
	Dividend paid during the year	**-**	(248,732)
	Repayment of borrowings	**(10,004,765,144)**	(3,755,982,647)
	Proceeds from borrowings	**1,103,134,676**	7,685,433,426
	Net cash flow from financing activities	**16,412,652,085**	2,893,732,197
	Net increase/(decrease) in cash and cash equivalents	**258,638,508**	(1,143,252,073)
	Cash and cash equivalents as at the beginning of the year	**234,334,893**	792,203,204
	Cash and cash equivalents transferred in the scheme of arrangement	**-**	585,383,762
	Cash and cash equivalents as at the end of the year	**492,973,401**	234,334,893

Note on non cash transaction

Interest accrued amounting to Rs. 50,624,211 outstanding as on 31 March 2012 has been converted into loan during the year ended 31 March 2013.

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

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : May 13, 2013

For and on behalf of Board of Directors of

Raghav Bahl
Managing Director

Sanjay Ray Chaudhuri
Director

R D S Bawa
Group Chief Financial Of cer

Yug Samrat
Company Secretary

1 Background and Scheme of arrangement

1.1 Background

Network18 Media & Investments Limited ("the Company") was incorporated as SGA Finance and Management Services Private Limited in 1996. The name was changed to Network 18 Fincap Private Limited in April 2006. The Company was converted into a public company on 20 October 2006. The name was further changed to its current name on 1 December 2007.

1.2 Scheme of arrangement

(i) The Board of Directors of the Company, on 7 July 2010 approved a Scheme of Arrangement ("the Scheme") with an overall objective of simplifying the corporate structure of the Company and its subsidiaries, associates and joint ventures (together referred to as the "Network18 Group"). The Scheme was approved by Hon'ble High Court of Delhi and made effective on 10 June 2011 with an appointed date of 1 April 2010. As a consequence of the Scheme, "Business News Operations" comprising of 'CNBC TV18' and 'CNBC Awaaz' channels and teleport business of Television Eighteen India Limited ("TV18"), a subsidiary of the Company, has been transferred to another subsidiary - ibn18 Broadcast Limited (now known as TV18 Broadcast Limited). The remaining TV18 (post demerger of "Business News Operations" of TV18) along with its investments stands merged with the Company. Further, in consideration of the merger of the residual TV18 with the Company, on 23 June 2011, the Company had issued 23,695,044 equity shares to the shareholders of TV18 (in the ratio of 13 equity shares of Rs. 5 for every 100 equity shares in TV18 of Rs. 5).In addition, in accordance with the Scheme, 'the Web Undertakings' of Web18 Software Services Limited and Television Eighteen Commoditiescontrol.com Limited, Care Websites Private Limited, RVT Investments Private Limited and Network18 India Holdings Private Limited have been merged into the Company. The remaining TV18, RVT Investments Private Limited and Network 18 India Holdings Private Limited primarily held investments in other companies. The 'web undertaking' of Web18 Software Service Limited operates certain websites. Television Eighteen Commodities control.com Limited and Care Websites Private Limited did not carry out any significant business operations.

(ii) The Board of Directors of the Company, on 7 July 2010, announced and approved another Scheme of Arrangement ('the Infomedia Scheme') between Infomedia Press Limited (formerly Infomedia 18 Limited ("Infomedia 18")) and the Company and their respective shareholders and creditors. As per the Infomedia Scheme, the Business Directories business, the New Media business and the Publishing business of Infomedia18 have demerged into the Company while the Printing Press business of Infomedia 18 continued to remain with Infomedia18. The Infomedia Scheme was approved by the Hon'ble High Court of Delhi on 22 May 2012 and made effective on 1 June 2012 with an appointed date of 1 April 2010.

Further, in consideration of the demerger of the Business Directories business, the New Media business and the Publishing business of Infomedia18 into the Company, on 19 June 2012, the Company had issued 3,679,356 equity shares to the shareholders of Infomedia18 (in the ratio of 14 equity shares of Rs. 5 for every 100 equity shares in Infomedia 18 of Rs. 10), The demerged undertaking of Infomedia 18 was engaged in publication of Yellow Pages (Business Directories), special interest magazines and operating certain websites.

The above referred schemes of arrangement have been accounted for under the pooling of interests method as modified for the provisions of respective schemes of arrangement. The financial impact of these is as follows:

Reserve and surplus details as at 31 March 2013 as follows:

(Rs.)

Particulars	Television Eighteen India Limited (Residual business)	Network18 India Holdings Private Limited	RVT Investments Limited	Web18 Software Services Limited	Television Eighteen Commodities control.com Limited	Care website Private Limited	Publishing division of Infomedia18 Limited	Total
Assets taken over								
Fixed assets including capital work in progress	12,628,455	-	-	93,107,832	2,867,615	-	201,802,046	310,405,948
Investments	11,641,548,589	3,085,464,456	2,063,049,300	97,110,129	-	-	1,028,674,786	17,915,847,260
Current assets, loans and advances	1,878,212,935	391,407,004	1,841,914,750	437,722,674	18,746,697	3,235,988	573,131,808	5,144,371,856
Total	**13,532,389,979**	**3,476,871,460**	**3,904,964,050**	**627,940,635**	**21,614,312**	**3,235,988**	**1,803,608,639**	**23,370,625,064**
Liabilities taken over								
Loan funds	4,520,949,795	200,000,000	1,893,487,450	657,212,865	66,043,116	-	712,529,573	8,050,222,799
Current liabilities and provisions	94,965,936	187,716	1,475,096,619	208,458,326	92,406,765	15,864,898	801,556,014	2,688,536,274
Total	**4,615,915,731**	**200,187,716**	**3,368,584,069**	**865,671,191**	**158,449,881**	**15,864,898**	**1,514,085,587**	**10,738,759,074**
Net value of assets transferred pursuant to scheme of arrangement	**8,916,474,248**	**3,276,683,744**	**536,379,981**	**(237,730,556)**	**(136,835,569)**	**(12,628,910)**	**289,523,052**	**12,631,865,990**
Less: Share capital issued as per scheme of arrangement (refer note below)	(118,475,220)	-	-	-	-	-	(18,396,780)	(136,872,000)
	8,797,999,028	**3,276,683,744**	**536,379,981**	**(237,730,556)**	**(136,835,569)**	**(12,628,910)**	**271,126,272**	**12,494,993,990**
Movement in reserves other than surplus in Statement profit and loss during the period from appointed date to 31 March 2011	127,665,870	-	-	-	234,424	-	-	127,900,294
Balance to be credited to reserves	**8,925,664,898**	**3,276,683,744**	**536,379,981**	**(237,730,556)**	**(136,601,145)**	**(12,628,910)**	**271,126,272**	**12,622,894,284**
Balance of securities premium account of entity merged with the Company as per the scheme of arrangement	7,998,650,089	-	-	-	-	-	-	7,998,650,089
Surplus/ (Deficit) in Statement of Profit and Loss of entities merged with the Company as per the scheme of arrangement (A)	74,453,697	(363,192,706)	3,209,981	-	(146,265,023)	(20,906,910)	-	(452,700,961)
Capital Reserve of entity merged with the Company as per the scheme of arrangement	-	-	-	-	5,699,627	-	-	5,699,627
General Reserve of entity merged with the Company as per the scheme of arrangement	58,825,177	-	-	-	-	-	-	58,825,177
Investments in wholly owned subsidiaries	-	3,638,361,000	533,170,000	-	23,574,766	-		4,195,105,766
Profit / (loss) on merger credited to Securities Premium Account	**793,735,934**	**1,515,450**	**-**	**(237,730,556)**	**(19,610,515)**	**8,278,000**	**271,126,271**	**817,314,584**
Profit / (loss) earned during the year 2010-11 (B)	102,931,895	(5,500,650)	(126,909,899)	(218,437,242)	(29,143,579)	518,874	(320,979,705)	(597,520,306)
Surplus/ (Deficit) of the merged entities as on 31 March 2011 (A+B)	**177,385,592**	**(368,693,356)**	**(123,699,918)**	**(218,437,242)**	**(175,408,602)**	**(20,388,036)**	**(320,979,705)**	**(1,050,221,267)**

Note: The Company also issued 11,586,782 equity shares to Network 18 Media Trust in respect of shares held by the Company in Television Eighteen India Limited (refer note 14)

2. Basis of preparation

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 to the extent applicable and in accordance with the provisions of the Companies Act, 1956, ("the Act") as adopted consistently by the Company.

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

b. Revenue recognition

(i) Advertising and sponsorship revenue from websites is recognized ratably over the contractual period of advertisement, commencing when the advertisement is placed on the website, unless the Company has to meet performance conditions in which case revenue is recognized using the proportionate completion method. Advertising revenue from magazines is recognized in the period in which the magazines are delivered and are accounted net of commission and discounts. Revenue from sponsorships of event is recognized after the completion of event.

(ii) Revenue from wireless short messaging service is recognized based on usage of service by the mobile subscribers and share of revenue agreed with the mobile network operator.

(iii) Sale of magazines includes revenue from circulation of magazines and subscription of magazines. Revenue from circulation of magazines includes sales to retail outlets/ newsstands, which are subject to returns. The Company records these retail sales upon delivery, net of estimated returns. These estimated returns are based on historical return rates and are revised as necessary based on actual returns. Revenue from subscription of magazines is recognized on delivery of magazines to subscribers.

(iv) Transactions that involve the exchange of goods or services for other goods or services in respect of web operations are accounted for in accordance with Guidance Note on Accounting for Dot-com Companies issued by the Institute of Chartered Accountants of India (ICAI). Barter transactions are recorded at fair value, being the value at which similar transactions are executed with other parties.

(v) Revenue from travel and tour services is recognized after rendering of services as per the terms of the contract.

(vi) Revenue from sale of stalls at exhibitions organized by the Company is recognized after completion of exhibition.

(vii) Dividend income is accounted for when the right to receive dividend is established.

(viii) Profit / loss on sale of investments are computed on the basis of weighted average cost on date of disposal of investments.

(ix) Interest income is recognized on time proportionate basis, taking into account the amount outstanding and the rate applicable.

c. Fixed assets

Tangible assets

Fixed assets are stated at their original cost of acquisition and installation less accumulated depreciation. All direct expenses attributable to acquisition and installation of assets are capitalised.

Intangible assets

Acquired brands/domain names and computer software are capitalised at cost of acquisition and disclosed as intangible assets.

Website development costs that provide additional functions or features to the Company's website are capitalised. Maintenance expenses or costs that do not result in new features or functions are expensed as incurred.

d. Depreciation / amortisation

Depreciation /amortisation on fixed assets is calculated on straight line basis using the rates arrived at based on the useful lives estimated by management. The Company has used following useful lives for the fixed assets:

Asset category	**Useful life**
Building	30 years
Ownership flats	62 years
Plant and equipment	2-21 years
Furniture and fixtures	2-16 years
Vehicles	3-11 years
Information technology and related equipment	2-7 years
Intangible assets:	
-Brands/ trademarks	5 years
-Website costs	2-5 years
-Computer software	3-5 years
Leasehold improvements	Over the lease period or estimated useful life, whichever is shorter.

e. Inventory

Inventory is valued as follows:

Raw materials: Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-progress and finished goods: Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

f. Impairment of tangible and intangible assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

g. Investments

Investments which are readily realizable and intended to be held for not more than a year from the date on which investment made are classified as current investments. All other investments are classified as long-term investments.

Current investments are stated at lower of cost or fair value. Long-term investments are stated at cost however provision for diminution in their value is made to recognize a decline, other than temporary value of investment.

Profit/ loss on sale of investments are computed with reference to the average cost of the investment

h. Leases

Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

i. Employee benefits

Provident Fund

The Company's Employees Provident Fund scheme is a defined contribution plan. The Company's contribution to the Employees' Provident Fund is charged to the Statement of Profit and Loss during the period in which the employee renders the related service.

Gratuity

The Company provides for gratuity, a defined benefit plan covering eligible employees.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation is based on the market yields on government securities as at the balance sheet date. Actuarial gains/losses are recognized immediately in the Statement of profit and loss.

Compensated absences

Benefits comprising long term compensated absences constitute other long term employee benefits. The liability for compensated absences is determined using the Projected Unit Credit Method, on the basis of an actuarial valuation at the period end. Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

Short term employee benefits

Short term employee benefits expected to be paid or payable in exchange for the services rendered is recognized on undiscounted basis.

j. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences on foreign exchange transactions settled during the period are recognized in the Statement of Profit and Loss.

Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and resulting exchange differences are recognized in the Statement of profit and loss.

k. Income tax

Income tax expense comprises current tax and deferred tax. Current tax is determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that suf cient future taxable income will be available against which such deferred tax assets can be realized. In situation, where the company has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

l. Earnings/ (loss) per Share

The Company reports basic and diluted earnings/ (loss) per share in accordance with Accounting Standard 20 on Earnings per Share. Basic earnings/ (loss) per equity share have been computed by dividing the Net Profit /(Loss) after tax by the weighted average number of equity shares outstanding during the period. Diluted earning / (loss) per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period except where the result would be anti-dilutive.

m. Employee stock options plan

Accounting value of stock options is determined on the basis of "Intrinsic Value" representing the excess of the market price on the date of grant over the exercise price of the options granted under the "Employees Stock Option Scheme" of the Company, and is being amortized as "Deferred employee compensation" on a straight-line basis over the vesting period in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Guidance Note 18 "Share Based Payments" issued by the ICAI.

n. Provisions and contingencies

The Company makes provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made.

A disclosure is made for a contingent liability when there is a:

- Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Company; or

- Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

- Present obligation, where a reliable estimate cannot be made.

o. Borrowing costs

Borrowing costs that are directly attributable to acquition, construction or production of a qualifying asset are capitalized as part of the cost of that asset when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

p. Segment reporting

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that serves different markets. The Company operates only in India and accordingly there are no geographical segments.

Intersegment transfers:

Inter segment revenues have been accounted for based on the transaction price agreed to between segments which is primarily market led.

Allocation of costs:

Direct revenues and direct expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis are presented as "Unallocable" in the segment disclosure.

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
3 Share capital		
a. Authorized share capital		
i. 5,000,000,000 (1,400,000,000) equity shares of Rs. 5 each	**25,000,000,000**	7,000,000,000
ii. 1,100,000 (1,100,000) preference shares of Rs. 100 each	**110,000,000**	110,000,000
iii. 10,500,000 (10,500,000) preference shares of Rs. 200 each	**2,100,000,000**	2,100,000,000
iv. 15,500,000 (15,500,000) preference shares of Rs. 10 each	**155,000,000**	155,000,000
b. Issued, subscribed and paid-up capital		
i. 1,046,433,202 (142,879,916) equity shares of Rs. 5 each fully paid up	**5,232,166,010**	714,399,580
ii. 10,284,379 (10,284,379) Non Convertible Cumulative Redeemable Preference shares of Rs. 150 each	**1,542,656,850**	1,542,656,850
Total issued, subscribed and fully paid-up share capital	**6,774,822,860**	2,257,056,430

c. Reconciliation of the share capital

i. Equity shares

	Year ended 31 March 2013		Year ended 31 March 2012	
	Numbers	**Amount**	Numbers	Amount
At the beginning of the year	**142,879,916**	**714,399,580**	118,895,641	594,478,205
Issued during the year				
- Issue under Scheme of arrangement (refer note 1.2)	**3,679,356**	**18,396,780**	23,695,044	118,475,220
- Exercise of employee stock options	**-**	**-**	289,231	1,446,155
- Issue of shares in rights issue	**899,873,930**	**4,499,369,650**	-	
Outstanding at the end of the year	**1,046,433,202**	**5,232,166,010**	142,879,916	714,399,580

ii. Preference shares

There is no movement in number and amount of perference share during the current and previous year.

d. Description of the rights, preferences and restrictions attached to each class of shares

Equity shares : The Company has only one class of equity shares having a face value of Rs. 5 per share. All the existing equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. These equity shares are listed on the National Stock Exchange of India and the Bombay Stock Exchange Limited.

Preference shares : The preference shareholders shall be, subject to profitability and at the discretion of the Board of Directors, entitled to a cumulative annual dividend @ 5%. These preference shares carry preferential right in respect of dividends and also carry preferential right in regard to repayment of capital in case of winding up.

Preference Shares are redeemable at the end of five years from 15 May 2008 at Rs. 150 per share.

e. Details of shares alloted for consideration other than cash
(Within 5 years preceding the Balance Sheet date)

Particulars	**Year (Aggregate No. of Shares)**				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares :					
Allotted as fully paid up under Scheme of arrangement (refer note 1.2)	**3,679,356**	23,695,044	-	-	-

f. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
Equity Shares of Rs. 5 each Fully Paid up				
RB Holdings Private Limited	-	-	43,531,337	30.47
Network18 Group Senior Professional Welfare Trust	**15,922,729**	**1.52**	15,922,729	11.14
Network18 Media Trust	**11,586,762**	**1.11**	11,586,762	8.11
SAIF III Mauritius Company Limited	**9,202,650**	**0.88**	9,202,650	6.44
ACACIA Banyan Partners	**29,229,484**	**2.79**	7,181,684	5.03
RRB Mediasoft Private Limited	**108,515,123**	**10.37**	-	-
RB Mediasoft Private Limited	**127,560,417**	**12.19**	-	-
RB Media Holdings Privated Limited	**127,528,586**	**12.19**	-	-
Watermark Infratech Private Limited	**127,528,287**	**12.19**	-	-
Colorful Media Private Limited	**127,528,287**	**12.19**	-	-
Adventure Marketing Private Limited	**127,528,287**	**12.19**	-	-
Non Convertible Cumulative Redeemable Preference shares of Rs. 150 each				
Keyman Financial Services Private Limited	**4,710,000**	**45.80**	4,710,000	45.80
RB Investments Private Limited	**1,627,771**	**15.83**	1,627,771	15.83
Reliance Capital Limited	**675,343**	**6.57**	675,343	6.57

g. Terms of securities convertible into equity/preference shares

During the year ended 31 March 2012, the Company issued 18,691,585 10% Secured Optionally Fully Convertible Debentures (" SOFCDs"). These SOFCDs were issued at a price of Rs. 160.50 per SOFCD on 15 June 2011 and were convertible within a period of 18 months from the date of allotment of SOFCDs into 18,691,585 Equity Shares. The SOFCD holders had provided an irrevocable undertaking dated 29 February 2012 that they (i) shall not exercise the option for conversion of SOFCDs into Equity Shares and (ii) shall not transfer the SOFCDs. During the year ended 31 March 2013, these SOFCDs were repaid.

h. Shares reserved for issue under options and other commitments

i) As on 31 March 2013, 1,182,712 (1,513,951) Employees Stock Options were outstanding under the Employee Stock Option Plans of the Company. Each option would entitle the holder thereof to subscribe to one Equity Share of Rs. 5 each in the Company

ii) As on 31 March 2013, the Company had nil (18,691,585) 10% Secured Optionally Fully Convertible Debenture(s) (SOFCDs) outstanding. For details refer note 'g' above

i. Share forfeited

In the financial year 2009-10, 12,072 Partly Convertible Cumulative Redeemable Preference shares on which call money was unpaid were forfeited.

j. Shares pending allotment

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
Nil (previous year 3,679,356) Equity shares of Rs 5 each fully paid up to be issued pursuant to the Scheme of arrangement between the Company and Infomedia Press Limited (formerly Infomedia 18 Limited) (refer note 1.2 (ii))	-	18,396,780

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
4. Reserves and surplus		
a. Capital Reserve		
Balance at the beginning of the year	**6,906,827**	1,207,200
Add: Additions on account of scheme of arrangement (refer note 1.2)	**-**	5,699,627
Balance at the end of the year	**6,906,827**	6,906,827
b. Securities premium account		
Balance at the beginning of the year	**11,529,409,772**	9,464,016,617
Add : Amount received pursuant to exercise of employee stock options	**-**	81,327,721
Add : Balance of securities premium account of entity merged with the Company as per the Scheme of arrangement (refer note 1.2)	**-**	7,998,650,089
Add : Profit on merger (refer note 1.2)	**-**	817,314,584
Add : Premium received on issue of shares on rights basis	**22,496,848,250**	-
Less : Expenses incurred on issue of shares on rights basis	**(468,915,000)**	-
Less : Difference of book value and fair value of assets adjusted pursuant to the Scheme of arrangement / Dissolution of Trust (refer note below)	**(265,434,977)**	(6,334,691,091)
Less: Amount tranferred from deficit in the statement of profit and loss as per the Scheme of arrangement	**-**	(497,208,148)
Balance at the end of the year	**33,291,908,045**	11,529,409,772
c. Employee stock options outstanding		
Gross employee stock compensation for options granted in earlier years	**96,503,930**	108,351,197
Less: Deferred employee stock compensation	**(3,631,940)**	(13,247,345)
Balance at the end of the year	**92,871,990**	95,103,852
d. General reserve		
Balance at the beginning of the year	**103,825,177**	45,000,000
Add: Balance of general reserve of entity merged with the Company as per the Scheme of arrangement (refer note 1.2)	**-**	58,825,177
Add: Amount transferred from employee stock option reserve on expiry of options	**9,584,872**	-
Balance at the end of the year	**113,410,049**	103,825,177
e. Deficit in the statement of profit and loss		
Deficit at the beginning of the year	**(3,660,802,848)**	(1,188,484,334)
Loss for the year	**(299,090,054)**	(1,919,305,396)
Add: Deficit of the merged entities as at 31 March 2011 (refer note 1.2)	**-**	(1,050,221,267)
Less: Amount tranferred to securities premium account pursuant to the Scheme of arrangement	**-**	(497,208,148)
Net deficit in the statement of profit and loss	**(3,959,892,902)**	(3,660,802,848)
Total reserves and surplus	**29,545,204,008**	8,074,442,779

Note:

During the year ended 31 March 2012, based on accounting prescribed in the Scheme referred to in Note 1.2 (i), the Company has fair valued its assets and liabilities and debited Rs. 6,334,691,091 the difference between such fair values and the corresponding book values to the Securities Premium Account, which otherwise as per Accounting Standards would have been debited to the Statement of Profit and Loss in the relevant previous years. If the said amount would have been debited to the Statement of Profit and Loss instead of debiting the Securities Premium Account , the loss before tax for the year ended 31 March 2012 would have increased from Rs. 1,912,129,129 to Rs 8,246,820,220 representing a 331% increase and the balance in Securities Premium Account would have increased from Rs. 11,529,409,772 to Rs. 17,864,100,863 representing a 55% increase.

Based on accounting prescribed in the Infomedia scheme referred to in Note 1.2 (ii), the Company has fair valued its investment in Infomedia Press Limited (formerly Infomedia 18 Limited) and debited Rs. 265,434,977 the resultant impact to the Securities Premium Account, which otherwise as per Accounting Standards would have been debited to the Statement of Profit and Loss. If the said amount would have been debited to the Statement of Profit and Loss instead of debiting the Securities Premium Account, the loss before tax for the year ended 31 March 2013 would have increased from Rs. 299,090,054 to Rs 564,525,031 representing a 89% increase and the balance in Securities Premium Account would have increased from Rs. 33,291,908,045 to Rs. 33,557,343,022 representing a 1% increase.

		As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
5.	**Long-term borrowings**		
	Secured		
	Term loans:		
	- From banks	**5,458,671**	77,685,486
		5,458,671	77,685,486
	Unsecured		
	- Public deposits (Deposits are repayable at the time of maturity)	**764,622,000**	759,687,000
		764,622,000	759,687,000
	Total	**770,080,671**	837,372,486
	Security details for borrowings covered under Note 5 and Note 10 is as follows:		
	I. Term loans under Long term borrowings	**5,458,671**	77,685,486
	II. Term loans under Other current liabilities	**3,626,125**	1,020,131,350
	III. Secured Optionally Fully Convertible Debentures ("SOFCDs") under Other current liabilities	**-**	2,999,999,393
		9,084,796	4,097,816,229
	Security details for borrowings outstanding as at 31 March 2013 are as follows:		
	i Vehicle loans are secured by the hypothecation of vehicles financed.	**9,084,796**	5,810,149
		9,084,796	5,810,149
	Security details as at 31 March 2012 are as follows:		
	ii In respect of term loan transferred from Infomedia Press Limited (formerly Infomedia18 Limited) ("Infomedia") in pursuance of the Scheme of Arrangement ("the Scheme") between the Company, Infomedia and their respective shareholders and creditors, with the approval of the lender, as at 31 March 2012 the Company was in the process of creating necessary charges on this loan to release the existing charge on the assets of Infomedia.	**-**	92,006,687
	iii Term loan secured by first pari passu charge on fixed assets and current assets of the Company. This loan was additionally guaranteed by Mr Raghav Bahl, the Promoter of the Company. The loan was being repaid in 6 quartely instalments starting from 24 November 2011 after an initial moratorium period of 18 months.	**-**	1,000,000,000
	iv 10% SOFCDs with a tenure of 18 months, with an option exercisable by the security holder to convert each SOFCD into one equity share of Rs 5 of the Company at a price of Rs. 160.50 (including premium of Rs. 155.50). The SOFCD holders had provided an irrevocable undertaking dated 29 February 2012 that they (i) shall not exercise the option for conversion of SOFCDs into Equity Shares and (ii) shall not transfer the SOFCDs. These were secured by way of mortgage of land situated at Gujarat.	**-**	2,999,999,393
		-	4,092,006,080
		9,084,796	4,097,816,229

Rate of interest- The Company's borrowings from banks are at an effective weighted average rate of 11.41% p.a. (previous year 15.67%).

		As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
6.	**Other long-term liabilities**		
	Advance from customers	**5,100,802**	13,744,982
	Interest accrued but not due on borrowings	**46,075,043**	41,426,370
		51,175,845	55,171,352
7.	**Long term provisions**		
	Provision for employee benefits	**52,591,211**	48,132,693
	Provision for indemnity (refer note below)	**2,374,984,629**	2,374,984,629
		2,427,575,840	2,423,117,322

During the year ended 31 March 2011, Roptonal Limited, Cyprus (""Roptonal"") a subsidiary of the Company's jointly controlled entity, Viacom18 Media Private Limited made a public offer for purchase of entire issued capital of The Indian Film Company Limited, Guernsey ('TIFC'). The Company and its subsidiary, Network18 Holdings Limited, Mauritius (""Network18 Holdings""), in their capacity as shareholders in TIFC accepted the public offer. Further, pursuant to an agreement between Roptonal and Network 18 Holdings, Network 18 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.

Network 18 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 Network 18 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 year ended 31 March 2012, the Company carried out a fair valuation exercise of the aforementioned film library and accordingly provided an amount of Rs. 2,374,984,629 towards the said indemnity obligation. In accordance with the Company's agreement with Network18 Holdings, any foreign exchange fluctuations arising at the time of settlement of the aforementioned indemnity liability shall be borne by Network18 Holdings.

		.)	
8.	**Short-term borrowings**		
	Secured		
	Term loans:		
	- From banks	**-**	3,489,000,000
	- From others	-	340,000,000
	Cash credit	-	97,049,239
		-	3,926,049,239
	Unsecured		
	Loans and advances from related parties	-	174,870,474
	Public deposits	**1,052,711,000**	955,330,000
		1,052,711,000	1,130,200,474
	Total	**1,052,711,000**	5,056,249,713

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
Security details for borrowings outstanding as at 31 March 2012 are as follows:		
i Term loan secured by second charge by way of hypothecation over the future and present movable fixed assests of the Company. This loan was also secured by the personal guarantee by the Promoter of the Company.	-	3,489,000,000
ii Term loan secured by second charge by way of hypothecation over the future and present movable fixed assests of the Company. This loan was also secured by the personal guarantee by the Promoter of the Company.	-	340,000,000
iii In respect of the cash credit limits transferred from Infomedia Press Limited (formerly Infomedia18 Limited) ("Infomedia") in pursuance of the Scheme of Arrangement ("the Scheme") between the Company, Infomedia and their respective shareholders and creditors, with the approval of the Lender, as at 31 March 2012 the Company was in the process of creating necessary charges on this loan to release the existing charge on the assets of Infomedia.	-	97,049,239
	-	3,926,049,239

9. Trade payables

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
(a) Due to Micro and Small Enterprises (refer note 45)	-	1,637,941
(b) Due to others	**535,460,212**	763,321,003
	535,460,212	764,958,944

10. Other current liabilities

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
Current maturity of long - term borrowings (refer note 5 - Long term borrowings for the details of security)		
Term loans - Secured		
from Banks	**3,626,125**	1,020,131,350
Nil (As at 31 March 2012 18,691,585) 10 % Secured Optionally Fully Convertible Debentures of Rs 160.50 each	-	2,999,999,393
Public deposits	**484,613,000**	1,236,675,000
Interest accrued but not due on borrowings	**167,392,957**	328,654,513
Unclaimed dividends	**1,453,048**	1,503,324
Unclaimed matured deposits and interest accrued thereon	**128,643,986**	213,483,405
Statutory dues payable	**48,081,319**	60,377,090
Employee dues	**61,374,169**	52,148,385
Payable to Infomedia Press Limited (formerly Infomedia18 Limited) on account of merger	-	33,305,317
Payable for capital goods	**19,325,612**	10,367,010
Advance from customers	**114,139,184**	312,982,482
Security deposits	**14,695,344**	14,911,011
Others	**42,003,481**	12,590,763
Total	**1,085,348,225**	6,297,129,043

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
11. Short term provisions		
Provision for employee benefits	**15,362,349**	8,486,184
Provision for sales returns *	**10,499,763**	19,415,009
	25,862,112	27,901,193
*** Provision for sales returns**		
Opening balance	**19,415,009**	-
Transferred on account of scheme of arrangement	-	18,608,627
Addition during the year	**34,956,827**	45,610,110
Amount utilized during the year	**(43,872,073)**	(44,803,728)
Closing balance	**10,499,763**	19,415,009

A provision is recognised for expected returns on products sold during the year based on past experience of level of returns. It is expected that most of this provision will be utilised in the next financial year.

12. Tangible assets

	Land	Leasehold land	Leasehold improvements	Buildings	Ownership flats	Plant and equipment	Furniture and fixtures	Vehicles	Information technology and related equipments	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Gross block										
Balance as at 1 April 2011	609,980	-	23,085,108	-	-	6,970,676	1,638,029	11,498,922	7,386,275	51,188,990
Additions on merger	216,200	40,000	83,220,506	14,583,299	23,741,895	65,639,639	103,501,863	18,659,043	404,899,174	714,501,619
Additions	-	-	6,026,580	-	-	14,295,290	9,814,980	11,214,264	27,929,088	69,280,201
Deletions / adjustments	(216,200)	-	(2,523,162)	-	-	(1,642,296)	(5,777,099)	387,072	(4,114,564)	(13,886,249)
Balance as at 1 April 2012	**609,980**	**40,000**	**109,809,032**	**14,583,299**	**23,741,895**	**85,263,309**	**109,177,773**	**41,759,301**	**436,099,973**	**821,084,561**
Additions	-	-	1,090,765	814,830	4,717,030	1,363,073	1,523,700	9,854,613	27,836,177	47,200,188
Deletions / adjustments	-	-	(19,939,446)	-	(20,038,332)	(6,171,035)	(18,396,471)	(7,769,882)	(22,394,263)	(94,709,429)
Balance as at 31 March 2013	**609,980**	**40,000**	**90,960,351**	**15,398,129**	**8,420,593**	**80,455,347**	**92,305,002**	**43,844,032**	**441,541,887**	**773,575,320**
Accumulated depreciation										
Balance as at 1 April 2011	-	-	20,807,884	-	-	2,192,792	313,991	2,906,567	2,726,266	28,947,499
Additions on merger	-	-	74,443,019	5,411,498	5,946,335	37,713,257	70,967,484	5,624,200	334,743,401	534,849,195
Charge for the year	-	-	9,189,755	472,547	386,993	8,165,944	10,587,562	5,460,943	29,392,633	63,656,376
Deletions / adjustments	-	-	441,605	(48,043)	-	(1,031,795)	(850,578)	248,609	(1,694,812)	(2,935,014)
Balance as at 1 April 2012	**-**	**-**	**104,882,263**	**5,836,002**	**6,333,328**	**47,040,198**	**81,018,459**	**14,240,319**	**365,167,488**	**624,518,056**
Charge for the year	-	-	2,459,735	479,258	393,191	7,691,866	6,702,739	5,210,975	32,343,773	55,281,536
Deletions / adjustments	-	-	(19,259,215)	-	(5,021,753)	(2,686,137)	(14,625,026)	(3,187,747)	(11,949,387)	(56,729,265)
Balance as at 31 March 2013	**-**	**-**	**88,082,783**	**6,315,260**	**1,704,766**	**52,045,927**	**73,096,172**	**16,263,547**	**385,561,874**	**623,070,327**
Net Block										
Balance as at 31 March 2012	**609,980**	**40,000**	**4,926,769**	**8,747,297**	**17,408,567**	**38,223,111**	**28,159,314**	**27,518,982**	**70,932,485**	**196,566,505**
Balance as at 31 March 2013	**609,980**	**40,000**	**2,877,568**	**9,082,869**	**6,715,827**	**28,409,420**	**19,208,830**	**27,580,485**	**55,980,013**	**150,504,993**

13. Intangible assets

	Brands/ trademarks (Rs.)	Computer software (Rs.)	Website costs (Rs.)	Total (Rs.)
Gross block				
Balance as at 1 April 2011	-	8,559,548	-	8,559,548
Additions on merger	96,253,510	11,939,910	19,662,642	127,856,062
Additions	1,595,759	22,901,234	-	24,496,993
Deletions / adjustments	-	-	(1,887,178)	(1,887,178)
Balance as at 1 April 2012	**97,849,269**	**43,400,692**	**17,775,464**	**159,025,425**
Additions	-	54,713,258	13,662,590	68,375,848
Deletions / adjustments	(34,269,600)	(20,514,694)	-	(54,784,294)
Balance as at 31 March 2013	**63,579,669**	**77,599,256**	**31,438,054**	**172,616,979**
Accumulated amortization				
Balance as at 1 April 2011	-	7,578,728	-	7,578,728
Additions on merger	49,855,313	5,602,253	19,662,642	75,120,208
Charge for the year	18,094,074	6,400,344	-	24,494,418
Adjustments	-	-	(1,887,178)	(1,887,178)
Balance as at 1 April 2012	**67,949,387**	**19,581,325**	**17,775,464**	**105,306,176**
At 1 April 2012				-
Charge for the year	15,285,469	29,604,649	5,689,851	50,579,969
Adjustments	(28,346,871)	(6,758,080)	-	(35,104,951)
Balance as at 31 March 2013	**54,887,985**	**42,427,894**	**23,465,315**	**120,781,194**
Net Block				
Balance as at 31 March 2012	**29,899,882**	**23,819,367**	**-**	**53,719,249**
Balance as at 31 March 2013	**8,691,684**	**35,171,362**	**7,972,739**	**51,835,785**

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
14. Non-current investments		
Equity shares : Quoted		
i. Investment in Subsidiaries		
(a) 877,035,062 (Previous year 185,526,648) equity shares of Rs 2 each in TV18 Broadcast Limited	**25,622,360,137**	11,792,191,857
(b) 23,913,061 (Previous year 23,913,061) equity shares of Rs 10 each fully paid up in Infomedia Press Limited (formerly known as "Infomedia 18 Limited")	**2,461,895,030**	2,461,895,030
Less:-Provision for diminution	**(2,461,895,030)**	(2,020,699,055)
ii. Investment in others		
Beneficiary interest in Network 18 Media Trust (11,586,762 (Previous year 11,586,762) shares of the Company)	**1,815,746,185**	1,815,746,185
Aggregate amount of quoted investments	**27,438,106,322**	14,049,134,017
Market Value of Quoted Investments	**25,102,547,021**	5,617,769,917
Equity shares : Unquoted		
i. Investment in Subsidiaries		
(a) 1,500,000 (Previous year 1,500,000) equity shares of USD 1 each fully paid up in Network 18 Holdings Limited, Mauritius	**67,890,000**	67,890,000
(b) 33,000 (Previous year 33,000) equity shares of Rs 10 each fully paid up in Setpro18 Distribution Limited	**50,000,000**	50,000,000
Less:-Provision for diminution	**(50,000,000)**	-
(c) 100,001 (Previous year 100,001) equity shares of USD 1 each fully paid up in Television Eighteen Media and Investments Limited,Mauritius	**3,996,790**	3,996,790
(d) 2,581 (Previous year 2,581) equity shares of Rs. 10 each fully paid up in Big Tree Entertainment Private Limited	**48,982,218**	48,982,218
(e) 50,000 (Previous year 50,000) equity shares of Rs 10 each fully paid up in Digital18 Media Limited	**500,000**	500,000
(f) Nil (Previous year 13,394,470) equity shares of Rs. 2 each fully paid up in Newswire18 Limited	**-**	133,543,900
(g) 12,295,000 (Previous year 12,295,000) equity shares of USD 1 each fully paid up in Television Eighteen Mauritius Limited, Mauritius	**160,631,581**	160,631,581
(h) 10,000 (Previous year 10,000) equity shares of Rs.10 each fully paid up in Capital18 Fincap Private Limited	**100,000**	100,000
Less:-Provision for diminution	**(100,000)**	(100,000)
(i) 10,000 (Previous year 10,000) equity shares of Rs.10 each fully paid up in RRB Investments Private Limited	**100,000**	100,000
Less:-Provision for diminution	**(100,000)**	(100,000)
ii. Investment in Joint Ventures		
Reed Infomedia India Private Limited 4,900,000 Shares (49% of total issued capital) of Rs. 10 each	**49,000,000**	49,000,000
Less:-Provision for diminution	**(49,000,000)**	(49,000,000)
iii. Investment in others		
6 years National Savings Certificates	**5,500**	5,500
	282,006,089	465,549,989

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
Preference shares : Unquoted		
i. Investment in Subsidiaries		
(a) 49,118,691 (Previous year 49,118,691) preference shares of USD 1 fully paid up in Television Eighteen Media and Investments Limited, Mauritius	**2,010,338,250**	2,010,338,250
(b) 2,000,000 (Previous year 2,000,000) 0.01% Cumulative Convertible Redeemable Prefrence Shares of Rs 10 each in RRB Investments Private Limited	**200,000,000**	200,000,000
Less:- Provision for diminution	**(200,000,000)**	(200,000,000)
(c) 2,548,000 (Previous year 2,548,000) 15% Cumulative Redeemable Convertible Preference Shares of Rs 10 each in Capital18 Fincap Private Limited	**1,100,727,161**	1,100,727,161
Less:- Provision for diminution	**(1,100,727,161)**	(1,100,727,161)
ii. Investment in others		
2,500,000 (Previous year 2,500,000) 8% Cumulative Redeemable Non Convertible Preference Shares of Rs 100 each in BK Media Private Limited	**250,000,000**	250,000,000
	2,260,338,250	2,260,338,250
Debentures & Bonds - Unquoted		
(a) 1,041,002 (Previous year 1,023,502) Zero coupon Optionally Redeemable Convertible Debentures of Capital18 Fincap Private Limited of Rs. 1,000 each	**830,501,250**	813,001,250
(b) 396,500 (Previous year 302,500) Zero coupon Optionally Redeemable Convertible Debentures of Digital18 Media Limited of Rs. 1,000 each	**396,500,000**	302,500,000
(c) 8,200 (Previous year Nil) Zero coupon Optionally Redeemable Convertible Debentures of RRB Investments Private Limited of Rs. 1,000 each	**8,200,000**	-
(d) 30 (Previous year 30) unsecured redeemable non covertible, Upper Tier II Bonds of Yes Bank limited of Rs. 1,000,000 each	**30,000,000**	30,000,000
	1,265,201,250	1,145,501,250
Aggregate amount of unquoted investments (net of provision for diminution)	**3,807,545,589**	3,871,389,489
Total	**31,245,651,911**	17,920,523,506
Aggregate provision for the diminution in value of investments	**3,861,822,191**	3,370,626,216

15. Long-term loans and advances
(usecured, considered good, unless otherwise stated)

Capital advances	**429,583**	28,677,831
Security deposits	**113,930,107**	137,317,277
Loans and advances to related parties	**6,390,924,211**	5,484,033,296
Advances recoverable in cash or kind	-	16,230
Loans and advances to staff	**1,298,828**	3,836,204
Other loans and advances		
- Income tax paid (net of provisions Rs. 29,825,706 (previous year Rs. 29,650,706))	**269,277,690**	186,275,970
- Prepaid expenses	**1,470,501**	1,525,252
- Others	**130,054**	7,858,410
Total	**6,777,460,974**	5,849,540,470

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
16. Trade receivables - non current		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	**6,852**	11,474,316
Unsecured, considered good	**5,393,450**	2,340,951
Unsecured, considered doubtful debts	**69,803,845**	84,032,298
Less: Provision for doubtful debts	**(69,803,845)**	(84,032,298)
Total	**5,400,302**	13,815,267
17. Other non-current assets		
Interest accured but not due on loans	**133,354,134**	50,624,211
Balance in fixed deposit accounts with banks - earmarked for public deposits	**208,442,678**	55,000,000
Total	**341,796,812**	105,624,211
18. Current investments		
Equity shares : Quoted		
698,288 (Previous year 4,020,076) equity shares of Rs. 10 each in DEN Networks Limited	**1**	1
Mutual Funds		
1,148,087 (Previous year Nil) units of Birla Sun Life Cash Plus - Daily Dividend - Reinvestment	**115,032,664**	-
78,153 (Previous year Nil) units of IDFC Cash Fund - Plan C - Daily Dividend	**78,172,412**	-
105,893 (Previous year Nil) units of Baroda Pioneer Liquid Fund - Daily Dividend Plan	**105,960,124**	-
146,846 (Previous year Nil) units of Religare Ultra Short Term Fund - Institutional Daily Dividend	**147,097,982**	-
1,009,207 (Previous year Nil) units of DWS Insta Cash Plus Fund - Super Institutional Plan - Daily Dividend - Reinvestment	**101,227,516**	-
10,138,240 (Previous year Nil) units of JM High Liquidity Fund - Daily Dividend Option (39)	**105,743,874**	-
35,649 (Previous year Nil) units in Principal Cash Management Fund- Dividend Plan Daily-Reinvestment	**35,651,538**	-
115,798 (Previous year Nil) units of TLSD01 TATA Liquid Fund Plan A - Daily Dividend	**129,059,904**	-
129,182 (Previous year Nil) units of Templeton India Treasury Management Account Super Institutional Plan - Daily Dividend Reinvestment	**129,269,022**	-
89,291 (Previous year Nil) units of Reliance Liquidity Fund - Treasury Plan- Daily Dividend Option	**136,502,078**	-
99,047 (Previous year Nil) units of Axis Liquid Fund - Institutional Daily Dividend Reinvestment(CFDD)	**99,057,814**	-
78,487 (Previous year Nil) units of Kotak Liquid Scheme Plan A - Daily Dividend	**95,974,177**	-
48,538 (Previous year Nil) units of UTI Liquid Cash Plan Institutional - Daily Income Option - Re-investment	**49,482,099**	-
103,175 (Previous year Nil) units of Premerica Liquid Fund - Daily Dividend Option - Reinvestment	**103,200,480**	-
14,692,253 (Previous year Nil) units of Peerless Liquid Fund - Super Institutional Daily Dividend - ReInvestment	**146,944,567**	-
116,350 (Previous year Nil) units of L&T Liquid Fund Daily Dividend Reinvestment Plan	**117,703,253**	-
10,368,191 (Previous year Nil) units of 3002/ HDFC Liquid Fund - Dividend - Daily Reinvest	**105,736,882**	-
112,725 (Previous year Nil) units of Taurus Liquid Fund - Super Institutional Daily Dividend Reinvestment	**112,735,456**	-
51,419 (Previous year Nil) units of Daiwa Liquid Fund - Regular Plan – Daily Dividend Option	**51,445,911**	-
103,394 (Previous year Nil) DSP BlackRock Liquidity Fund - Institutional Plan - Daily Dividend	**103,957,734**	-
Total	**2,069,955,488**	1

		As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
19.	**Inventories**		
	Raw materials and components	**-**	16,265,131
	Work-in-progress	**-**	2,426,779
	Total	**-**	18,691,910
20.	**Trade receivables - current**		
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	Secured, considered good	**3,906**	-
	Unsecured, considered good	**82,855,175**	77,374,952
	Unsecured, considered doubtful	**81,872,107**	62,590,607
	Less: Provision for doubtful debts	**(81,872,107)**	(62,590,607)
	Other receivables		
	Secured, considered good	**12,160,820**	-
	Unsecured, considered good	**335,157,060**	398,002,383
	Total	**430,176,961**	475,377,335
21.	**Cash and bank balances**		
	Cash and cash equivalents		
	On current accounts	**483,893,598**	232,566,756
	on deposit accounts	**1,267,354**	-
	Cheques/drafts on hand	**7,534,500**	1,012,087
	Cash on hand	**277,949**	756,050
		492,973,401	234,334,893
	Deposits with original maturity for more than 3 months but less than 12 months		
	Unrestricted deposits	**20,197,823**	182,662
	Balances in current accounts	**1,331,313**	1,748,023
		21,529,136	1,930,685
		514,502,537	236,265,578

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2013

		As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
22.	**Short-term loans and advances (unsecured)**		
	Security deposits - considered good	**59,194,979**	11,165,757
	Loans and advances to related parties		
	Considered good	**107,477,752**	567,597,429
	Considered doubtful	**-**	56,519,179
	Less: Provision for doubtful loans and advances	**-**	(56,519,179)
		107,477,752	567,597,429
	Advances recoverable in cash or in kind		
	Considered good	**36,512,154**	32,552,833
	Considered doubtful	**11,971,742**	11,971,742
	Less: Provision for doubtful advances	**(11,971,742)**	(11,971,742)
		36,512,154	32,552,833
	Loans and advances to staff	**23,148,090**	30,880,235
		23,148,090	30,880,235
	Other loans and advances		
	Service tax input credit	**130,202,181**	91,886,942
	Prepaid expenses	**24,053,585**	25,957,132
	Others	**55,000,000**	55,000,000
		209,255,766	172,844,074
	Total	**435,588,741**	815,040,328
23.	**Other current assets**		
	Unbilled revenue	**40,974,456**	37,156,956
	Expenditure incurred on scheme of arrangement and offering of equity shares	**-**	34,848,491
	Recoverable on account of sale of businesses	**150,000,000**	-
	Interest accrued but not due on advances	**28,152,692**	48,967,625
	Others	**6,190,294**	-
	Total	**225,317,442**	120,973,072

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2013

	Year Ended 31 March 2013 (Rs.)	Year Ended 31 March 2012 (Rs.)
24. Revenue from operations		
Advertising and sponsorship revenue	**1,471,864,983**	1,573,857,207
Wireless short messaging services related income	**176,047,999**	80,771,447
Sale of magazines	**111,951,705**	92,054,358
Sale of stalls at exhibitions	**66,356,683**	58,735,112
Income from travel and tour services	**46,092,630**	-
Other operating revenue	**76,599,547**	26,694,026
Total	**1,948,913,547**	1,832,112,150
25. Other income		
Interest income		
- Interest on bank deposits	**56,214,011**	69,851,254
- Interest on long-term investments	**2,842,192**	2,857,808
- Interest on loans and advances	**121,868,125**	156,426,418
Dividend income from current investments	**90,940,281**	-
Profit on sale of current investments	**436,573,055**	557,247,815
Excess provision written back	**7,509,516**	9,593,445
Exchange difference (net)	**-**	822,335
Profit on disposal fixed of assets	**74,196,765**	-
Miscellaneous income	**41,841,555**	17,553,995
Total	**831,985,500**	814,353,070
26. Costs of material consumed		
Opening stock		
Raw material	**16,265,131**	60,151,649
Work in progress	**2,426,779**	748,511
Add : Purchases	**6,204,994**	88,118,872
	24,896,904	149,019,032
Less : Closing stock		
Raw material	**-**	16,265,131
Work in progress	**-**	2,426,779
	24,896,904	130,327,122
27. Employee benefits expense		
Salaries, wages and bonus	**787,449,705**	884,540,940
Contribution to provident fund and employees' state insurance	**40,204,741**	38,654,877
Employee stock compensation expense	**7,353,010**	16,253,707
Staff welfare expenses	**71,297,310**	54,765,007
Gratuity and compensated absences	**27,548,676**	21,492,547
Total	**933,853,442**	1,015,707,078

	Year Ended 31 March 2013 (Rs.)	Year Ended 31 March 2012 (Rs.)
28. Other operating expenses		
Consumption of stores and spares	**5,591,009**	7,947,919
Power and fuel	**32,350,168**	30,765,812
Distribution, advertising and business promotion	**250,977,903**	356,330,621
Rent	**192,380,914**	194,415,789
Repairs and maintenance - Plant and equipments	**17,553,767**	16,123,644
Repairs and maintenance - Building	**288,815**	270,649
Repairs and maintenance - Others	**19,791,960**	26,643,622
Insurance	**4,055,635**	6,605,537
Rates and taxes	**41,971,289**	3,074,903
Legal and professional expenses	**93,040,801**	207,682,474
Directors sitting fee	**340,000**	415,000
Loss on sale /disposal of assets	**-**	8,569,435
Bad debts /advances written off /provided for	**46,812,813**	90,987,381
Studio and equipment hire charges	**47,543,346**	44,259,200
Event expenses	**224,698,463**	219,724,695
Content and franchise expenses	**118,561,366**	119,632,294
Media professional fee	**31,529,193**	38,487,130
License fees	**6,808,437**	2,550,942
Travelling and conveyance	**134,821,192**	88,100,324
Communication costs	**103,121,954**	105,757,210
Printing and stationery	**9,543,821**	14,636,280
Vehicle running and maintenance	**25,658,467**	19,270,797
Membership and subscription expenses	**1,470,786**	715,494
Payment to auditor (Refer details below)	**7,265,032**	8,409,650
Printing cost	**181,285,247**	164,001,955
Exchange difference (net)	**549,484**	-
Miscellaneous expenses	**33,602,273**	109,665,011
	1,631,614,135	1,885,043,768
Payment to auditor		
As auditor	**7,000,000**	7,251,500
For other services	**-**	1,158,150
for reimbursement of expenses	**265,032**	-
	7,265,032	8,409,650
29. Depreciation and amortization expenses		
Depreciation of tangible assets	**55,281,536**	63,656,376
Amortization of intangible assets	**50,579,969**	24,494,418
	105,861,505	88,150,795
30. Finance costs		
Interest expense on:		
-Term loan	**351,125,756**	437,686,493
-Cash credit	**20,141,996**	11,026,095
-Public deposits	**449,868,335**	481,601,850
Interest on secured optionally fully convertible debentures	**159,452,024**	239,178,027
Other financial charges	**88,061,745**	137,308,902
	1,068,649,856	1,306,801,367

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2013

		Year Ended 31 March 2013 (Rs.)	Year Ended 31 March 2012 (Rs.)
31.	**Prior period (Income) /expenses**		
	Salaries, wages and bonus	-	83,084,689
	Rent	-	10,673,525
	Printing cost of magzines	-	7,362,624
	Distribution, advertising and business promotion	-	6,099,321
	Processing and Brokerage Charges	**221,672**	4,371,744
	Miscellaneous expenses	**5,521**	4,361,892
	Event expenses	**2,810,619**	3,077,986
	Content and frenchise expenses	-	2,931,283
	Travelling and conveyance	-	2,669,920
	Staff welfare expenses	-	2,654,456
	Communication costs	-	2,352,559
	Contribution to provident fund	-	2,242,271
	Power and fuel	-	1,911,197
	Communication costs	-	1,820,859
	Repairs and maintenance - Others	-	1,306,910
	Media professional fee	-	241,952
	Rates and taxes	-	200,079
	Insurance	-	41,263
	Repairs and maintenance - Building	-	25,440
	Legal and professional expenses	**802,342**	11,920
	Miscellenous income	-	(62,500)
	Advertising and sponsorship revenue	-	(658,959)
	Income from subscription	**(12,000,000)**	-
	Interest income	-	(4,156,212)
	Total	**(8,159,846)**	132,564,219

Note: During the year ended 31 March 2012, the Company has expensed off all accrued costs incurred upto 31 March 2011 in respect of business directories not completed and dispatched upto that date.

32.	**Exceptional items**		
	Gain on disposal of investment in subsidiary	**397,680,288**	-
	Gain on disposal of business	**504,807,605**	-
	Less : Provision for diminution in the value of investments in subsidiaries	**225,760,998**	-
		676,726,895	-

33.	**Loss per share**		
	Loss after tax attributable to equity shareholders	**(299,090,054)**	(1,919,305,396)
	Weighted average number of equity shares in calculating basic loss per share	**569,701,990**	149,342,983
	Nominal value of equity share	**5**	5
	Loss per share (basic and diluted)	**(0.52)**	(12.85)

*since the potential equity shares are anti-dilutive, diluted loss per share is same as basic loss per share

34. Related party disclosures

a. List of related parties

i. Direct subsidiaries

- Television Eighteen Mauritius Limited
- Capital18 Fincap Private Limited
- Television Eighteen Media and Investments Limited
- Network 18 Holdings Limited, Mauritius (domicile changed from Cayman Islands to Mauritius with effect from 19 April 2012 vide certificate of registration dated 7 August 2012)
- Digital 18 Media Limited
- RRB Investments Private Limited
- Newswire18 Limited (upto 27 December 2012)
- Setpro18 Distribution Limited
- TV18 Broadcast Limited
- Infomedia Press Limited
- Television Eighteen India Limited (upto 10 June 2011)
- Network18 India Holdings Private Limited (upto 10 June 2011)

ii. Subsidiary companies of subsidiaries

- BK Holdings Limited, Mauritius
- Namono Investments Limited, Cyprus
- TV 18 UK Limited
- Capital 18 Limited, Mauritius
- Webchutney Studio Private Limited
- RRK Finhold Private Limited
- RVT Finhold Private Limited
- Greycells 18 Media Limited
- Colosceum Media Private Limited
- Stargaze Entertainment Private Limited
- Web 18 Holdings Limited, Cyprus (de-registered from Cayman Islands and get registered in Cypus w.e.f 25 April 2013)
- E-18 Limited, Cyprus
- Web 18 Software Services Limited
- e - Eighteen.com Limited
- Moneycontrol Dot Com India Limited
- ibn18 (Mauritius) Limited
- AETN18 Media Private Limited
- RVT Media Private Limited
- TV18 HSN Holdings Limited, Cyprus
- TV18 Home Shopping Network Limited
- Blue Slate Media Private Limited
- IndiaCast Media Distribution Private Limited (formerly Sun18 Media Services North Private Limited)

- IC Media Distribution Services Private Limited
- Capital18 Acquisition Corporation, Cayman Islands (upto 28 September 2012)
- Juxt Consult Research and Consulting Private Limited (upto 31 October 2012)
- Big Tree Entertainment Private Limited
- IndiaCast UK Limited
- IndiaCast US Limited
- RVT Investments Private Limited (upto 10 June 2011)
- Television Eighteen Commoditiescontrol.com Limited (upto 10 June 2011)

iii. Associates and joint ventures of the subsidiaries

- Viacom18 Media Private Limited
- IBN Lokmat News Private Limited
- Ubona Technologies Private Limited
- Reed Infomedia India Private Limited
- 24 X 7 Learning Private Limited
- Viacom 18 US Inc.
- Roptonal Limited, Cyprus
- Viacom 18 Media (UK) Limited
- The Indian Film Company Limited, Guernsey
- The Indian Film Company (Cyprus) Limited
- Wespro Digital Private Limited
- IFC Distribution Private Limited

iv. Key Management Personnel

- Raghav Bahl (Also exercises control by virtue of having a substantial interest in the voting power of the Company)

v. Relatives of Key Management Personnel (with whom transactions have been undertaken during the year)

- Vandana Malik

vi. Entities over which persons listed above are able to exercise significant influence/control (with whom transactions have been undertaken during the period/balance at the end of the year)

- Network 18 Publications Limited
- VT Softech Private Limited
- Adventure Marketing Private Limited
- Watermark Infratech Private Limited
- Colorful Media Private limited
- RB Media Holdings Private Limited
- RB Holdings Private Limited
- Web18 Securities Private Limited
- BK Media Mauritius Private Limited
- Network18 Group Senior Professional Welfare Trust
- Network18 Employees Welfare Trust
- B K Media Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2013

Particulars	Subsidiaries	Associates	Joint Ventures	Entity under significant influence / control of KMP or their relatives	Key Management Personnel and their relatives
Transactions during the year					
Income from operations and other income					
TV18 Broadcast Limited	66,472,391 (77,692,002)	- (-)	- (-)	- (-)	- (-)
e- Eighteen.com Limited	1,985,000 (11,376,271)	- (-)	- (-)	- (-)	- (-)
Viacom18 Media Private Limited	- (-)	- (-)	21,453,651 (9,648,913)	- (-)	- (-)
Others	19,018,608 (16,296,562)	- (1,241,668)	935,453 (487,928)	- (-)	- (-)
Finance cost					
RB Media Holdings Private Limited	- (-)	- (-)	- (-)	26,575,336 (39,863,002)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	- (-)	26,575,336 (39,863,002)	- (-)
Colorful Media Private Limited	- (-)	- (-)	- (-)	26,575,336 (39,863,002)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	- (-)	26,575,336 (39,863,002)	- (-)
RB Holdings Private Limited	- (-)	- (-)	- (-)	53,150,680 (79,726,019)	- (-)
Others	- (10,233,411)	- (-)	- (-)	- (-)	- (-)
Interest income from					
TV18 Broadcast Limited	- (41,108,723)	- (-)	- (-)	- (-)	- (-)
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	- (-)	- (56,645,288)	- (-)
TV18 Home Shopping Network Limited	115,710,577 (38,084,538)	- (-)	- (-)	- (-)	- (-)
Others	2,574,886 (17,452,704)	- (-)	- (-)	- (-)	- (-)
Reimbursement of expenses (Paid)					
TV18 Broadcast Limited	42,016,009 (120,597,117)	- (-)	- (-)	- (-)	- (-)
E - Eighteen.com Limited	28,086,306 (13,433,419)	- (-)	- (-)	- (-)	- (-)
Others	366,212 (2,373,241)	- (-)	1,100,602 (227,919)	- (-)	- (-)
Reimbursement of expenses (Received)					
e-Eighteen.com Limited	68,717,190 (105,646,895)	- (-)	- (-)	- (-)	- (-)
TV18 Broadcast Limited	97,043,376 (147,634,184)	- (-)	- (-)	- (-)	- (-)
Others	50,968,925 (43,679,764)	- (-)	2,119,426 (8,275,681)	- (-)	- (-)
Expenditure for services received					
TV18 Broadcast Limited	56,442,529 (58,838,684)	- (-)	- (-)	- (-)	- (-)
Raghav Bahl	- (-)	- (-)	- (-)	- (-)	10,944,000* (10,944,000)

Particulars	Subsidiaries	Associates	Joint Ventures	Entity under significant influence / control of KMP or their relatives	Key Management Personnel and their relatives
Infomedia Press Limited	148,762,168 (-)	- (-)	- (-)	- (-)	- (-)
Viacom18 Media Private Limited	- (-)	- (-)	25,460,449 (-)	- (-)	- (-)
Others	8,977,446 (11,075,495)		11,127,815 (5,903,370)	- (435,000)	7,200,000 (7,200,000)
Loans/advances given during the year					
TV18 Broadcast Limited	- (3,049,000,000)	- (-)	- (-)	- (-)	- (-)
TV18 Home Shopping Network Limited	761,000,000 (766,500,000)	- (-)	- (-)	- (-)	- (-)
Infomedia Press Limited	134,000,000 (-)	- (-)	- (-)	- (-)	- (-)
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	- (-)	64,624,211 (5,244,400,000)	- (-)
Others	- (389,500,000)	- (-)	- (-)	- (-)	- (-)
Loans/advances received back during the year					
TV18 Broadcast Limited	- (3,049,000,000)	- (-)	- (-)	- (-)	- (-)
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	- (-)	204,100,000 (75,500,000)	- (-)
Others	- (285,000,000)	- (-)	- (-)	- (-)	- (-)
Debenture application money received during the period					
RVT Media Private Limited	885,000,000 (-)	- (-)	- (-)	- (-)	- (-)
Debenture application money refunded					
RVT Media Private Limited	885,000,000 (-)	- (-)	- (-)	- (-)	- (-)
Debenture application money paid					
Capital18 Fincap Private Limited	60,950,000 (-)	- (-)	- (-)	- (-)	- (-)
Debenture application money received back					
Capital18 Fincap Private Limited	60,950,000 (-)	- (-)	- (-)	- (-)	- (-)
Investments purchased during the year					
TV18 Broadcast Limited	13,830,168,280 (-)	- (-)	- (-)	- (-)	- (-)
Digital 18 Media Limited	94,000,000 (302,500,000)	- (-)	- (-)	- (-)	- (-)
Capital18 Fincap Private Limited	17,500,000 (813,001,250)	- (-)	- (-)	- (-)	- (-)
RRB Investments Private Limited	8,200,000 (-)	- (-)	- (-)	- (-)	- (-)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2013

Particulars	Subsidiaries	Associates	Joint Ventures	Entity under significant influence / control of KMP or their relatives	Key Management Personnel and their relatives
Assets transferred					
TV18 Broadcast Limited	- (2,429,400)	- (-)	- (-)	- (-)	- (-)
Issue of secured optionally fully convertible debentures					
RB Media Holdings Private Limited	- (-)	- (-)	- (-)	- (499,999,872)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	- (-)	- (499,999,872)	- (-)
Colorful Media Private Limited	- (-)	- (-)	- (-)	- (499,999,872)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	- (-)	- (499,999,872)	- (-)
RB Holdings Private Limited	- (-)	- (-)	- (-)	- (999,999,905)	- (-)
Repayment of secured optionally fully convertible debentures					
RB Media Holdings Private Limited	- (-)	- (-)	- (-)	499,999,872 (-)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	- (-)	499,999,872 (-)	- (-)
Colorful Media Private Limited	- (-)	- (-)	- (-)	499,999,872 (-)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	- (-)	499,999,872 (-)	- (-)
RB Holdings Private Limited	- (-)	- (-)	- (-)	999,999,905 (-)	- (-)
Corporate guarantee given					
TV18 Broadcast Limited	3,000,000,000 (-)	- (-)	- (-)	- (-)	- (-)
TV18 Home Shopping Network Limited	500,000,000 (-)	- (-)	- (-)	- (-)	- (-)
Corporate guarantee released					
TV18 Broadcast Limited	5,282,100,000 (-)	- (-)	- (-)	- (-)	- (-)
Balance at the year ended					
Amounts due from					
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	- (-)	5,029,424,211 (5,219,524,211)	- (-)
TV 18 Home Shopping Network Limited	1,412,686,409 (-)	- (-)	- (-)	- (-)	- (-)
Others	248,465,618 (940,955,689)	- (290,450)	2,095,378 (20,390,635)	28,786,906 (28,782,397)	- (-)
Amounts due to					
B K Media Mauritius Private Limited	- (-)	- (-)	- (-)	222,566 (209,348)	- (-)
RB Holdings Private Limited	- (-)	- (-)	- (-)	- (1,045,123,188)	- (-)

Particulars	Subsidiaries	Associates	Joint Ventures	Entity under significant influence / control of KMP or their relatives	Key Management Personnel and their relatives
Network18 Holdings Limited, Mauritius	2,374,440,816 (2,374,473,111)	- (-)	- (-)	- (-)	- (-)
Others	72,221,915 (423,353,673)	280,900 (-)	1,912,415 (1,815,422)	456,750 (2,090,754,980)	- (-)
Corporate/personal guarantee					
TV18 Broadcast Limited	457,992,716 (2,089,997,564)	- (-)	- (-)	- (-)	- (-)
TV 18 Home Shopping Network Limited	500,000,000 (-)	- (-)	- (-)	- (-)	- (-)
B K Holdings Limited, Mauritius	1,087,800,000 (2,046,400,000)	- (-)	- (-)	- (-)	- (-)
Raghav Bahl	-	-	-	-	250,000,000

* Does not include gratuity and compensated absences as these are provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be determined.

35. Employee benefits

Net employee benefit expense

Particulars	Year ended 31 March 2013		Year ended 31 March 2012	
	Gratuity	**Compensated Absences**	Gratuity	Compensated Absences
Current service cost	**5,937,493**	**5,108,305**	5,249,785	10,706,586
Past service cost	**-**	**-**	-	-
Interest cost	**3,661,353**	**2,493,702**	3,172,168	2,064,749
Expected return on plan assets	**(1,590,097)**	**-**	(1,517,519)	-
Net actuarial (gain)/loss recognized in the year	**6,480,154**	**5,457,766**	3,009,359	(1,192,581)
Net benefit expense	**14,488,903**	**13,059,773**	9,913,793	11,578,754

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 31 March 2013		Year ended 31 March 2012	
	Gratuity	**Compensated Absences**	Gratuity	Compensated Absences
Present value of obligations as at the beginning of the year	**42,760,331**	**32,565,568**	10,295,310	5,936,622
On account of amalgamation	**-**	**-**	27,686,853	20,787,614
Current service cost	**5,937,493**	**5,108,305**	5,249,785	10,706,586
Interest cost	**3,661,353**	**24,93,702**	3,172,168	2,064,749
Benefits paid	**(23,323,000)**	**(16,427,459)**	(3,426,623)	(8,224,865)
Actuarial (gain)/losses on obligation	**9,719,501**	**5,457,766**	(217,162)	1,294,862
Present value of obligations as at the end of the year	**38,755,678**	**29,197,882**	42,760,331	32,565,568

Changes in the fair value of plan assets are as follows:		
	Gratuity	
	31 March 2013	31 March 2012
Fair value of plan assets at the beginning of the year	**-**	-
Transfer on account of amalgamation	**18,707,022**	18,394,170
Expected return	**1,590,097**	1,517,519
Contributions by employer	**(3,447,519)**	2,830,991
Benefits paid	**(20,088,947)**	(2,830,991)
Actuarial gains/(losses)	**3,239,347**	(1,204,667)
Closing fair value of plan assets	**-**	18,707,022
Return on plan assets	**31 March 2013**	31 March 2012
Expected return on plan assets	**1,590,097**	1,517,519
Actuarial gains/(losses)	**3,239,347**	(1,204,667)
Actual return on plan assets	**4,829,444**	312,852

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The major categories of plan assets are as follows:

Particulars	Gratuity	
	31 March 2013	31 March 2012
Investments with insurer	**-**	18,707,022

Net liability amount recognized in the balance sheet

Particulars	Year ended 31 March 2013		Year ended 31 March 2012	
	Gratuity	**Compensated Absences**	Gratuity	Compensated Absences
Present value of defined benefit obligation	**38,755,678**	**29,197,882**	42,760,331	32,565,568
Fair value of plan assets	**-**	**-**	18,707,022	-
Net liability recognized in the balance sheet	**38,755,678**	**29,197,882**	24,053,309	32,565,568
Non current liability	**35,381,005**	**17,210,206**	20,480,482	27,652,211
Current liability	**3,374,673**	**11,987,676**	3,572,827	4,913,357

The principal assumptions used in determining liability towards gratuity and compensated absences are shown below:

Particulars	Year ended 31 March 2013		Year ended 31 March 2012	
	Gratuity	**Compensated Absences**	Gratuity	Compensated Absences
Discount rate	**8.50**	**8.50**	8.50	8.50
Expected salary escalation rate	**6.00**	**6.00**	6.00	6.00
Mortality table	**LIC (1994-96)**		LIC (1994-96)	
Withdrawal rate	**Age**	**Percentage**	Age	Percentage
	Upton 30 years	**3**	Upton 30 years	3
	Upton 44 years	**2**	Upton 44 years	2
	Above 44 years	**1**	Above 44 years	1

Estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Defined contribution plan

The Company has contributed Rs. 40,204,741 (previous year Rs. 38,654,877) to Contribution to provident fund and employees' state insurance.

Other long term employee benefits

The Company, along with its subsidiary company, TV18 Broadcast Limited, has jointly established an Employee Welfare Plan dated 2 February 2009 for the benefit of their existing and future employees and to administer the same, a Trust named Network18 Group Senior Professional Welfare Trust has been constituted under the Indian Trusts Act, 1881 vide Trust Deed dated 19 February 2009.

The Employee Welfare Plan provides that any accretion to the corpus of the Trust (like dividends, profit on sale of investments, interest income, etc.) will be utilized for the benefit of beneficiaries upon occurrence of certain specific events. It further provides that the amount of benefit to be provided out of such accretion will be at the discretion of the trustees.

During the year ended 31 March 2013 and 31 March 2012, there were no net accretions to the corpus of the aforementioned Trust and accordingly no liability or plan assets have been provided/recognized in these financial statements.

36. Obligation on long term, non-cancellable operating leases

The Company has taken various of ce premises under operating lease agreements. The lease term of these leases ranges between 1 to 5 years and they are renewable by mutual consent. There are no sub leases or restrictions imposed by lease arrangements. There are certain lease agreements with escalation clauses during the initial lease term. Lease payments during the period recognized in the statement of profit and loss amount to - Rs 195,336,226 (Rs. 194,415,789)

Particulars	**As at 31 March 2013 (Rs.)**	As at 31 March 2012 (Rs.)
Payable not later than one year	**154,213,364**	183,827,215
Payable later than one year but not later than five years	**222,604,635**	305,894,975
Payable later than five years	**-**	-
Total	**376,817,999**	489,722,190

37. Contingent liabilities and other commitments

Particulars	**As at 31 March 2013 (Rs.)**	As at 31 March 2012 (Rs.)
Capital commitments	21,676,619	125,551,672
The Company has issued letters of financial support to certain subsidiary companies - E-18 Limited (Cyprus), Web18 Software Services Limited, Moneycontrol Dot.com and Infomedia Press Limited.		
Corporate guarantees given in connection with borrowings of subsidiaries		
TV18 Broadcast Limited (Formerly Ibn18 Broadcast Limited)	**457,992,716**	2,089,997,564
TV 18 Home Shopping Network Limited	**500,000,000**	-
B K Holdings Limited, Mauritius	**1,087,800,000**	2,046,400,000
	2,045,792,716	4,136,397,564
Contingent payments under agreements for sale of subsidiaries- Rs. 16,993,598 (previous year Rs. 16,993,598).		

Other litigations:

Mr. Victor Fernandes and others ("plaintiffs") had, on 25 August 2006, filed a suit as derivative action on behalf of e-Eighteen.com Limited before the High Court of Bombay against Mr. Raghav Bahl, Television Eighteen India Limited (TV18, now merged with the Company) and other TV18 group entities. The plaintiffs are minority shareholders of e-Eighteen.com Limited and have alleged that Mr. Raghav Bahl, TV18, ICICI Global Opportunities Fund and e-Eighteen.com Limited had entered into a subscription cum shareholders agreement dated 12 September 2000 under which Mr. Raghav Bahl and TV18 had, inter alia, undertaken that any opportunity offered to them shall only be pursued or taken up through e-Eighteen.com Limited or its wholly owned subsidiaries. The plaintiffs have alleged that Mr. Raghav Bahl and TV18 have promoted and developed various businesses through various entities which should have, under the aforesaid agreement, rightfully been undertaken by e-Eighteen.com Limited or its wholly owned subsidiaries. The plaintiffs have alleged that by not doing so Mr. Raghav Bahl and TV18 have caused monetary loss to e-Eighteen.com Limited as well as to the plaintiffs. The plaintiffs have valued their claim in the suit at Rs. 31,140,600,000 and have, inter alia, prayed that Mr. Raghav Bahl, TV18 and other TV18 group entities be ordered to transfer to e-Eighteen.com Limited all their businesses, activities and ventures along with all assets and intellectual property.

The plaintiffs had filed a notice of motion on 18 September 2006 seeking an interim relief. A reply had been filed with the Bombay High Court on 14 November 2006. The said notice of motion was dismissed on 8 August 2008 against which the plaintiffs have filed an appeal before the division bench of the Bombay High Court. The said appeal was dismissed by the High Court on 21 September 2011.

Based on the legal advice by the legal counsel, management is of the view that the above claim made by the plaintiffs is unlikely to succeed and has accordingly made no provisions for the same in the financial statements.

38. Value of imports calculated on CIF basis

	Year ended 31 March 2013	Year ended 31 March 2012
Raw materials	-	42,612,751
Components and spare parts	-	790,455
	-	43,403,206

Value of imported and indigenous material consumed Paper, inks, printing and binding materials :

	Year ended 31 March 2013	Year ended 31 March 2012
Raw materials and components		
Imported		
- Amount	-	43,403,206
- Percentage	-	33%
Indigenous		
- Amount	**24,896,904**	86,923,916
- Percentage	**100%**	67%
Total	**24,896,904**	130,327,122
Analysis of material consumed		
Paper sheets	**3,585,160**	20,344,516
Paper reels	**18,702,254**	75,616,227
Inks	**1,242,663**	9,778,537
Operating supplies	**1,366,827**	10,250,448
Other ancillary costs	-	14,337,394
Total	**24,896,904**	130,327,122

39. Particulars of unhedged foreign currency exposure as at the reporting date

As at 31 March 2013	**Amount**
Particulars	
Import trade payable	USD 66,818 (Rs. 3,634,223)
Export trade receivable	USD 383,373 (Rs. 20,694,152)
	GBP 3,063 (Rs. 252,161)
	Euro 32,143 (Rs.2,247,613)
Trade advance paid	USD 273,952 (Rs. 11,164,508)
	EURO 32,889 (Rs. 2,066,741)
	S$ 48,552 (Rs. 2,132,719)
As at 31 March 2012	
Import trade payable	USD 659,610 (Rs. 33,618,656)
	Euro 10,735 (Rs. 733,661)
	S$ 4,456 (Rs. 180,719)
	GBP 94,216 (Rs. 7,706,858)
Export trade receivable	US$ 217,108 (Rs. 11,106,752)
	GBP 9,791 (Rs. 800,909)
	EURO 45,539 (Rs.3,112,135)
Trade advance paid	US$ 250,000 (Rs. 9,905,000)
	EURO 32,889 (Rs. 2,066,741)

40. Expenditure in foreign currency (accrual basis)

	Year ended 31 March 2013 (Rs.)	Year ended 31 March 2012 (Rs.)
Legal and professional expenses	**82,330,023**	14,889,403
Travelling and conveyance	**13,787,331**	2,419,596
Media professional fee	**-**	9,285,685
Membership and subscription expenses	**25,772**	23,770
Event expenses	**2,465,983**	23,547,236
Distribution, advertising and business promotion	**4,699,363**	12,468,093
Content and franchise expenses	**12,820,920**	12,486,710
License fees	**4,453,416**	-
Miscellaneous expenses	**4,056,456**	3,358,739
Total	**124,639,264**	78,479,232

41. Earnings in foreign currency (accrual basis)

	Year ended 31 March 2013 (Rs.)	Year ended 31 March 2012 (Rs.)
Advertising and sponsorship revenue	**70,891,961**	41,093,863
Other income	**-**	3,113,420
Total	**70,891,961**	44,207,283

42. Managerial remuneration paid, up to 31 March 2013, by the Company amounting to Rs. 26,388,400 (31 March 2012- Rs 20,100,400) is in excess of the limits prescribed under the Companies Act, 1956 ("the Act"). The Company is in the process of obtaining the necessary approvals as per the Act.

43. Employee Stock Option Plans

a. The Company's Employee Stock Option Plans (ESOPs) framed in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines") which have been approved by the Board of Directors and the Shareholders are listed below. Schemes listed at serial (i) to (vii) were established as mirror schemes of the then existing ESOP schemes in Television Eighteen India Limited, in terms of the Scheme of Arrangement.

i) The Network 18 Employees Stock Option Plan 2002 (ESOP 2002)

ii) The Network 18 Employees Stock Option Plan 2004 (ESOP 2004)

iii) The Network 18 Senior Employees Stock Option Plan 2004 (Senior ESOP 2004)

iv) The Network 18 Employees Stock Option Plan 2005 (ESOP 2005)

v) The Network 18 Long Term Retention Employees Stock Option Plan 2005 (Long Term Retention ESOP 2005)

vi) The Network 18 Employees Stock Option Plan C 2007 (ESOP C 2007)

vii) The Network 18 Employees Stock Option Plan 2007 (ESOP 2007)

b. Salient terms of the ESOP schemes of the Company, in force, are:

Particulars	**ESOP 2002**	**ESOP 2004**	**Senior ESOP 2004**
Number of options granted	40,020	573,600	575,976
Vesting date	1. 50% of the options, after one year from the date of grant. 2. Balance 50% of the options two years after from the date of grant.	After three years from the date of grant except as follows in respect of 213,000 options whose terms have been modified : (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011	Except for 143,994 options, vesting details are as follows 1. One third after two years from the date of grant 2. Remaining two third after 4 years from the grant date. In respect of 143,994 options, vesting details are as follows : (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011
Vesting requirements	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed
Exercise period	During three years after the vesting date.	During two years after the vesting date.	During two years after the vesting date.
Method of settlement	Equity settled	Equity settled	Equity settled

Particulars	ESOP 2005	Long Term Retention ESOP 2005	ESOP (C) 2007	ESOP 2007
Number of options granted	915,600	300,000	700,000	3,962,736
Vesting date	Except for 51,200 options, to vest equally over three years from the date of grant. 51,200 options to vest as follows: (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011	At any time at the end of 4 years from the date of grant.	Equally over a period of six years from the date of grant.	After one year from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Board
Vesting requirements	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed
Exercise period	During one year after vesting date.	During one year after vesting date.	During four years after vesting date.	Exercise period will commence from the vesting date and extended upto the expiry period of the option as may be decided by the Board
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled

C. Details of options and weighted average prices

Particulars	ESOP 2002		ESOP 2004		SENIOR ESOP 2004	
	Options	Weighted Average Price	Options	Weighted Average Price	Options	Weighted Average Price
a) Outstanding at the beginning of the period	- (20,010)	- (5.00)	30,900 (60,600)	45.31 (45.31)	172,673 (192,671)	36.15 (70.44)
b) Granted during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
c) Exercised during the period	- (-)	- (-)	- (26,100)	- (20.00)	- (19,998)	- (13.33)
d) Forfeited during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
e) Expired during the period	- (20,010)	- (5.00)	16,200 (3,600)	37.55 (20.00)	162,673 (-)	37.55 (-)

f) Outstanding at the end of the period	- (-)	- (-)	14,700 (30,900)	20.00 (29.20)	10,000 (172,673)	13.34 (36.15)
g) Exercisable at the end of the period	- (-)	- (-)	14,700 (30,900)	20.00 (29.20)	10,000 (172,673)	13.34 (36.15)
h) Weighted average share price at the date of exercise	- (-)	N.A N.A	- (26,100)	N.A (124.00)	- (19,998)	N.A (124.00)
i) Weighted average remaining contractual life (years)	- ()	N.A. N.A.	0.85 (0.41)	N.A. N.A.	0.85 (0.20)	N.A. N.A.
j) Unvested Option outstanding at the end of the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

Particulars	**LONG TERM RETENTION ESOP 2005**		**ESOP 2005**		**ESOP 2007 (C)**	
	Options	**Weighted Average Price**	**Options**	**Weighted Average Price**	**Options**	**Weighted Average Price**
a) Outstanding at the beginning of the period	300,000 (300,000)	37.55 (348.35)	5,400 (10,200)	20.00 (20.00)	233,334 (466,667)	5.00 (5.00)
b) Granted during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
c) Exercised during the period	- (-)	- (-)	- (4,800)	- (20.00)	- (233,333)	- (5.00)
d) Forfeited during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
e) Expired during the period	- (-)	- (-)	1,800 -	20.00 -	- (-)	- (-)
f) Outstanding at the end of the period	300,000 (300,000)	37.55 (37.55)	3,600 (5,400)	20.00 (20.00)	233,334 (233,334)	5.00 (5.00)
g) Exercisable at the end of the period	300,000 (300,000)	37.55 (348.35)	3,600 (5,400)	20.00 (20.00)	116,667 -	5.00 -
h) Weighted average share price at the date of exercise	- (-)	- (-)	- (4,800)	- (124.00)	- (233,333)	- (60.65)
i) Weighted average remaining contractual life (years)	0.62 (0.62)	N.A. N.A.	0.85 (-)	N.A. N.A.	0.51 (1.51)	N.A. N.A.
j) Unvested Option outstanding at the end of the period	- -	- -	- (-)	- (-)	116,667 (233,334)	5.00 (5.00)

Particulars	**ESOP 2007**	
	Options	**Weighted Average Price**
a) Outstanding at the beginning of the period	771,644 (396,250)	33.51 (56.52)
b) Granted during the period	- (422,736)	- (32.52)
c) Exercised during the period	- (5,000)	- (73.50)
d) Forfeited during the period	- (-)	- (-)

e) Expired during the period	150,566 (42,342)	35.19 (33.94)
f) Outstanding at the end of the period	621,078 (771,644)	33.10 (33.51)
g) Exercisable at the end of the period	544,588 (534,827)	36.40 (51.98)
h) Weighted average share price at the date of exercise	- (5,000)	- (124.00)
i) Weighted average remaining contractual life (years)	2.38 (3.31)	N.A N.A
j) Unvested Option outstanding at the end of the period	76,490 (236,817)	33.10 (27.39)

Note

During the year ended 31 March 2012, pursuant to the amalgamation of TV18 with the Company, 3,251,819 options issued by TV18 were converted into 422,736 options of the Company (in the ratio of 13 options of the Company for every 100 options of TV18).

The exercise price of these options was determined by the Remuneration Committee of the Company in their meeting held on 11 August 2011. The replacement of stock options of TV 18 with the stock options of the Company is a modification to the original grant. However, no incremental intrinsic value was determined as a result of such modification.

The Company has adopted the intrinsic value method as promoted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of the options granted.

Had the Company used the fair value method in accordance with Black Scholes Model to determine employee stock compensation, its loss after tax and loss per share as reported would have changed to the amounts indicated below:

	Year ended 31 March 2013 Rs.	Year ended 31 March 2012 Rs.
Loss after tax as reported	**(299,090,054)**	(1,919,305,396)
Add: ESOP cost using the intrinsic value method	**7,353,010**	16,253,707
Less: ESOP cost using the fair value method	**7,892,229**	12,876,289
Proforma loss after tax	**(299,629,273)**	(1,915,927,978)
Loss per share		
Basic		
As reported	**(0.52)**	(12.85)
Proforma	**(0.53)**	(12.83)
Diluted		
As reported	**(0.52)**	(12.85)
Proforma	**(0.53)**	(12.83)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs in the year 31 March 2012:

	31 March 2012
Dividend yield	0.00%
Expected volatility	39.93 %
Risk-free interest rate	8.26%
Weighted average share price (Rs.)	109.35
Weighted average exercise price (Rs.)	113.44
Expected life of options granted (in years)	1.32

During the current year, the Company has modified the exercise period for one year of 91,540 shares of employee stock option schemes ESOP 2004, 2005 and 2007 the grand price range of 91,540 shares is Rs 10 to 37.55.

44. Segment information
Business segments
Year ended 31 March 2013

(Rs.)

Particulars	**Event Management**	**Web Operations**	**Publishing Business**	**Advisory Services**	**Eliminations**	**Total**
Revenue						
External sales	367,573,722	488,768,275	1,092,567,561	12,003,989	-	1,960,913,547
Inter segment sales	212,750	40,525	-	-	(253,275)	-
Total revenue	**367,786,472**	**488,808,800**	**1,092,567,561**	**12,003,989**	**(253,275)**	**1,960,913,547**
Segment results	(43,720,225)	(428,832,925)	(79,674,969)	(36,330,884)		(588,559,003)
Unallocated corporate expenses net of unallocated income						681,391,910
Exceptional items						676,726,895
Finance costs						1,068,649,856
Net loss before and after tax	**(43,720,225)**	**(428,832,925)**	**(79,674,969)**	**(36,330,884)**	**-**	**(299,090,054)**
As at 31 March 2013						
Segment assets	124,011,731	346,291,647	524,932,422	9,376,668	-	1,014,612,468
Unallocated Corporate assets	-	-	-	-		41,253,628,305
Total assets	**124,011,731**	**346,291,647**	**524,932,422**	**9,376,668**	**-**	**42,268,240,773**
Segment liabilities	321,046,611	2,120,059,997	1,086,900,980	111,842,636	-	3,639,850,224
Unallocated Corporate liabilities	-	-	-	-	-	2,308,363,681
Other segment information						
Capital expenditure	734,502	51,928,803	53,070,690	123,618		
Depreciation	1,287,933	58,051,055	39,899,369	414,692	-	
Non Cash	3,262,612	8,751,388	26,688,985	-	-	

Year ended 31 March 2012 **(Rs.)**

Particulars	Event Management	Web Operations	Publishing Business	Advisory Services	Eliminations	Total
Revenue						
External sales	414,800,304	338,768,160	1,067,861,536	10,682,150	-	1,832,112,150
Inter Segment Sales	**570,975**	**4,250,142**	**3,285,000**	**-**	**(8,106,117)**	**-**
Total revenue	**415,371,279**	**343,018,302**	**1,071,146,536**	**10,682,150**	**(8,106,117)**	**1,832,112,150**
Segment results	(58,864,860)	(322,700,577)	(732,666,734)	(39,697,294)	-	(1,153,929,465)
Unallocated corporate expenses net of unallocated income						548,601,703
Finance costs						1,306,801,367
Loss before tax	**(58,864,860)**	**(322,700,577)**	**(732,666,734)**	**(39,697,294)**	**-**	**(1,912,129,129)**
Income tax prior years						7,176,267
Net loss	**(58,864,860)**	**(322,700,577)**	**(732,666,734)**	**(39,697,294)**	**-**	**(1,919,305,396)**
As at 31 March 2012						
Segment assets	145,987,504	364,018,273	674,024,875	12,781,603	-	1,196,812,255
Unallocated corporate assets	-	-	-	-		24,614,983,787
Total assets	**145,987,504**	**364,018,273**	**674,024,875**	**12,781,603**	**-**	**25,811,796,042**
Segment liabilities	293,504,957	1,167,503,986	941,065,170	77,393,270	-	2,479,467,383
Unallocated corporate liabilities	-	-	-	-		12,982,432,671
Other segment information						
Capital expenditure	2,838,701	25,851,877	45,290,223	3,024,774	-	-
Depreciation	1,032,793	33,606,236	48,154,605	212,599	-	-
Non Cash	20,689,081	31,653,359	37,465,976	6,300,000	-	-

45. Due to Micro and Small Enterprises

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2013 has been made in the financial statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMEDA is not expected to be material.

46. Information pursuant to clause 32 of the listing agreements with stock exchanges

Loans and advances in the nature of loans to Subsidiaries		Balance (including interest accrued) as on		Maximum balance during the year ended	
Name of the entity	**Status**	**31 March 2013**	**31 March 2012**	**31 March 2013**	**31 March 2012**
TV18 Home Shopping Network Limited	Subsidiary	1,409,862,901	544,804,211	1,412,686,409	544,804,211
TV18 Broadcast Limited	Subsidiary	-	-	-	1,515,000,000
RRB Investments Private Limited	Subsidiary	-	-	-	31,615,562
Infomedia Press Limited (formerly known as Infomedia 18 Limited)	Subsidiary	134,991,233	-	174,597,011	-

There are no transactions of loans and advances to subsidiaries, associate firms/ companies in which directors are interested other than as disclosed above.

There are no loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years or no interest or interest below section 372A of the Companies Act 1956.

47. Barter transactions

The Company enters into barter transactions, which are recorded at the fair value of consideration receivable or payable. The statement of profit and loss for the year 31 March 2013 reflects revenue from barter transactions of Rs 73,968,497 (for the year ended 31 March 2012 Rs 78,930,412) and expenditure of Rs 79,441,768 (for the year ended 31 March 2012 Rs 78,294,251) being the fair value of barter transactions provided and received.

48. Pursuant to the business transfer agreement dated 27 February 2013 the Yellow Pages and AskMe business undertakings, forming part of the 'Publishing' segment of the Company, have been disposed off to Getit Infoservices Private Limited. As at 31 March 2013, the carrying amount of such assets and liabilities of discontinuing operations which were not disposed off was Rs 7,597,686 (previous year Rs 138,190,345) and Rs 96,959,325 (previous year Rs 366,643,490) respectively. The following statement shows the revenue and expenses of continuing and discontinuing operations:

Particulars	Continuing Operations		Discontinuing Operations		Total	
	Year ended 31 March 2013	**Year ended 31 March 2012**	**Year ended 31 March 2013**	**Year ended 31 March 2012**	**Year ended 31 March 2013**	**Year ended 31 March 2012**
Revenue						
Revenue from operations	1,416,224,539	1,357,586,344	532,689,008	474,525,806	1,948,913,547	1,832,112,150
Other income	818,497,226	813,514,268	13,488,274	838,802	831,985,500	814,353,070
Prior period income	8,159,846	-	-	-	8,159,846	-
Revenue	**2,242,881,611**	**2,171,100,612**	**546,177,282**	**475,364,608**	**2,789,058,893**	**2,646,465,220**
Expenses						
Cost of material consumed	17,746,429	91,829,475	7,150,475	38,497,647	24,896,904	130,327,122
Employee benefits expense	631,648,808	712,442,448	302,204,634	303,264,630	933,853,442	1,015,707,078
Other operating expenses	1,302,222,421	1,543,077,159	329,391,714	341,966,609	1,631,614,135	1,885,043,768

Particulars	Continuing Operations		Discontinuing Operations		Total	
	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2013	Year ended 31 March 2012
Depreciation and amortization expense	91,464,093	73,076,599	14,397,412	15,074,196	105,861,505	88,150,795
Finance costs	1,063,886,437	1,306,789,594	4,763,419	11,773	1,068,649,856	1,306,801,367
Prior period expenses	-	(35,837)	-	132,600,056	-	132,564,219
Expenses	**3,106,968,188**	**3,727,179,438**	**657,907,654**	**831,414,911**	**3,764,875,842**	**4,558,594,349**
Loss before exceptional items and tax	(864,086,577)	(1,556,078,826)	(111,730,372)	(356,050,303)	(975,816,949)	(1,912,129,129)
Exceptional items *	(171,919,290)	-	(504,807,605)	-	(676,726,895)	-
Loss before tax	**(692,167,287)**	**(1,556,078,826)**	**393,077,233**	**(356,050,303)**	**(299,090,054)**	**(1,912,129,129)**

*Exceptional items						
Gain on disposal of investment in subsidiary	(397,680,288)	-	-	-	(397,680,288)	-
Gain on disposal of business	-	-	(504,807,605)	-	(504,807,605)	-
Less : Provision for diminution in the value of investments in subsidiaries	225,760,998	-	-	-	225,760,998	-
Total	**(171,919,290)**	**-**	**(504,807,605)**	**-**	**(676,726,895)**	**-**

49. The Board of Directors, at their meeting held on 3 January 2012 decided to raise Rs. 27,000,000,000 by issuing shares on rights basis for, inter alia (a) Investment in subsidiary, TV18 Broadcast Limited (b) Repayment/prepayment of certain loans, redemption of Secured Optionally Fully Convertible Debentures, redemption of Preference shares and repayment of public deposits and (c) General corporate purposes. Pursuant to the approval by the Securities and Exchange Board of India (SEBI) for the Rights Issue, the Issue was opened on 18 September 2012 and closed on 04 October 2012. The Issue was fully subscribed. The Company has allotted 899,873,930 equity shares on 12 October 2012 at a price of Rs. 30 per share (face value of Rs. 5 and securities premium of Rs. 25) and the new shares started trading from 16 October 2012 in the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The status for the utilisation of total proceeds of Rs. 26,996,217,900 from the Rights Issue of the Company is set out below:

Objects of the Issue	Proposed utilisation	Actual utilisation
Repayment of loans	11,122,700,000	8,805,401,393
Investment in Subsidiary	13,840,000,000	13,830,168,280
General corporate purposes	1,287,300,000	1,287,300,000
Rights issue expenses	746,217,900	468,915,000
Total	**26,996,217,900**	**24,391,784,673**

The balance funds are temporarily invested in Mutual Funds / fixed deposits with banks.

The Company had raised Rs. 2,038,990,000 through allotment of 10,296,451 partly paid preference shares on rights basis to its equity shareholders during the year ended 31 March 2009. The amount has been fully utilized for the objects for which it was raised as per details below:

Objects of the Issue	Proposed utilisation	Actual utilization
Repayment of loans availed by the Company	608,800,000	608,800,000
Funding working capital	692,800,000	692,800,000
Capital expenditure for the audio and video content business	100,000,000	100,000,000
Investments in media and allied sectors	350,000,000	350,000,000
General corporate purposes	287,390,000	287,390,000
Total	**2,038,990,000**	**2,038,990,000**

50. The Company is in the process of addressing the matters specified in circular no. CIR/CFD/DIL/3/2013 dated 17 January 2013 issued by the Securities and Exchange Board of India ('SEBI') in respect of certain shares held by Network18 Group Senior Professional Welfare Trust.

51. Previous year figures have been regrouped, wherever necessary, to confirm to current year presentation.

For and on behalf of Board of Directors of

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : May 13, 2013

Raghav Bahl
Managing Director

R D S Bawa
Group Chief Financial Of cer

Sanjay Ray Chaudhuri
Director

Yug Samrat
Company Secretary

Independent Auditors' Report

To the Board of Directors of Network18 Media & Investments Limited

1. We have audited the accompanying consolidated financial statements of Network18 Media & Investments Limited, ("the Company") and its subsidiaries, associates and joint ventures (hereinafter collectively referred to as the "Group"), which comprise the consolidated Balance Sheet as at 31 March 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

5. We believe that the audit evidence we have obtained is suf cient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

6. *(a) The Company has paid* Rs. *26,388,400 as managerial remuneration to its managing director upto 31 March*

2013 (upto 31 March 2012: Rs. *20,100,400), which is in excess of the limits prescribed under the Companies Act, 1956 ('the Act'). Our report on the consolidated financial statements for the year ended 31 March 2012 was also qualified in respect of this matter.*

(b) Stargaze Entertainment Private Limited ('Stargaze'), a subsidiary of the Company, has paid Rs. *16,711,996 as managerial remuneration to its erstwhile managing director upto 31 March 2013 (upto 31 March 2012:* Rs. *16,711,996) which is in excess of the limits prescribed under the Act. The auditors of Stargaze had also qualified their report on the financial statements for the year ended 31 March 2012 in respect of this matter.*

Had the Company and Stargaze accounted for the remuneration in accordance with the Act, the net loss after tax for the year ended 31 March 2013 would have been lower by Rs. *43,100,396 (for the year ended 31 March 2012:* Rs. *36,812,396) and Short-term loans and advances as at 31 March 2013 would have been higher by* Rs. *43,100,396 (as at 31 March 2012:* Rs. *36,812,396).*

Qualified Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, associates and joint ventures as noted below, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

i) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2013;

ii) in the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and

iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

8. We draw attention to Note 36 to the consolidated financial statements in connection with the scheme of arrangement between Viacom18 Media Private Limited ('Viacom'), a joint venture of the Company and its subsidiary, IFC Distribution Private Limited ('IFC'), approved by the Hon'ble High Court of Bombay, made effective on 1 December 2012 with an appointed date of 1 January 2012. Pursuant to the terms of the said Scheme, Viacom has adjusted the debit balance in the Statement of Profit and Loss against Securities Premium Account which otherwise would not have been adjusted as per the Act. Further, in accordance with the said scheme, Viacom has fair valued its assets and liabilities and debited the difference between such fair values and the corresponding book values to the Securities Premium Account, which otherwise would have been debited to the Statement of Profit and Loss in accordance with accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other recognised accounting practices and policies. Our opinion is not qualified in respect of this matter.

Other Matter

9. We did not audit the financial statements of certain subsidiaries, associates and joint ventures included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. 44,397,794,305 as at 31 March 2013; total revenues (after eliminating intra-group transactions) of Rs. 18,254,023,706 and net cash flows aggregating to Rs.1,946,932,847 for the year then ended. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our audit opinion on the consolidated financial statements of the Group for the year then ended to the extent they relate to the financial statements not audited by us as stated in this paragraph is based solely on the audit reports of the other auditors. Our opinion is not qualified in respect of this matter.

For **Walker, Chandiok & Co**
Chartered Accountants
Firm Registration No: 001076N

per **B P Singh**
Partner
Membership No.: 70116

Place: Noida
Date: May 13, 2013

Consolidated Balance Sheet as at 31 March 2013

(All amounts in Rupees unless otherwise stated)

	Note	**As at 31 March 2013**	As at 31 March 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	**6,774,822,860**	2,257,056,430
Shares pending allotment	4(j)	**-**	18,396,780
Reserves and surplus	5	**21,570,254,867**	955,525,660
		28,345,077,727	3,230,978,870
Minority interest		**16,419,013,477**	3,674,408,432
Non-current liabilities			
Long-term borrowings	6	**2,449,868,476**	5,925,767,592
Deferred tax liabilities	16	**574,649**	599,128
Other long term liabilities	7	**81,219,294**	124,819,190
Long-term provisions	8	**1,586,721,999**	1,561,473,182
		4,118,384,418	7,612,659,092
Current liabilities			
Short-term borrowings	9	**4,757,574,384**	11,036,611,595
Trade payables	10	**6,335,187,269**	4,564,314,455
Other current liabilities	11	**4,979,064,711**	8,509,514,924
Short-term provisions	12	**84,460,455**	72,130,948
		16,156,286,819	24,182,571,922
TOTAL		**65,038,762,441**	38,700,618,316
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	13	**2,031,487,927**	2,313,991,902
Intangible assets	14	**374,737,722**	274,062,779
Capital work-in-progress		**47,103,965**	30,659,374
Intangible assets under development		**30,100,061**	7,183,020
		2,483,429,675	2,625,897,075
Goodwill on consolidation		**11,851,425,653**	11,657,799,739
Non-current investments	15	**3,098,796,108**	3,101,508,787
Deferred tax assets	16	**10,346,463**	34,359,197
Long-term loans and advances	17	**8,088,550,468**	6,572,824,810
Trade receivables - non current	18	**5,400,302**	15,351,498
Other non-current assets	19	**19,863,709,351**	229,431,674
		45,401,658,020	24,237,172,780
Current assets			
Current investments	20	**3,326,555,435**	40,717,536
Inventories	21	**2,903,528,981**	3,157,238,520
Trade receivables - current	22	**5,478,211,972**	5,564,131,391
Cash and bank balances	23	**3,998,875,258**	1,706,620,178
Short-term loans and advances	24	**3,376,116,765**	3,704,522,081
Other current assets	25	**553,816,010**	290,215,830
		19,637,104,421	14,463,445,536
TOTAL		**65,038,762,441**	38,700,618,316

The accompanying notes form an integral part of these consolidated financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

For and on behalf of Board of Directors of

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : May 13, 2013

Raghav Bahl
Managing Director

R D S Bawa
Group Chief Financial Of cer

Place : Noida
Date : May 13, 2013

Sanjay Ray Chaudhuri
Director

Yug Samrat
Company Secretary

Network18 Media & Investments Limited

Consolidated Profit and Loss for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

	Note	**Year ended 31 March 2013**	Year ended 31 March 2012
INCOME			
Revenue from operations	26	**23,826,942,640**	19,719,233,032
Other income	27	**1,050,106,525**	1,327,634,449
Total revenue		**24,877,049,165**	21,046,867,481
EXPENDITURE			
Cost of material consumed and traded goods sold	28	**301,559,986**	178,101,067
Employee benefits expense	29	**4,813,275,317**	4,526,595,420
Finance costs	30	**2,719,771,099**	2,706,662,142
Depreciation and amortization expense	31	**714,268,747**	613,674,794
Other expenses	32	**19,330,733,425**	17,862,004,755
Prior period items	33	**13,727,916**	134,195,550
Total expenses		**27,893,336,490**	26,021,233,728
Loss before exceptional items, tax, minority interest and share in (loss)/profit of associates		**(3,016,287,325)**	(4,974,366,247)
Exceptional items	34	**1,647,438,462**	-
Loss before tax, minority interest and share in (loss)/profit of associates		**(1,368,848,863)**	(4,974,366,247)
Loss for the year from continuing operations before tax		**(2,238,206,659)**	(4,662,856,811)
Income tax expense of continuing operations			
Current tax		**30,376,254**	50,799,888
Deferred tax		**111,511,917**	34,479,357
Loss from continuing operations after tax		**(2,380,094,830)**	(4,748,136,056)
Loss for the period from discontinuing operations before tax	50	**(280,060,757)**	(311,509,436)
Gain on transfer of assets and liabilities of discontinuing operations	50	**1,149,418,553**	-
Income tax expense of discontinuing operations			
Current tax		**-**	-
Deferred tax credit earlier years		**-**	(12,855,898)
Loss from discontinuing operations after tax		**869,357,796**	(298,653,538)
Loss after tax for the year before minority interest and share in (loss)/profit of associates		**(1,510,737,034)**	(5,046,789,594)
Minority interest		**(462,800,757)**	(1,117,277,045)
Share in (loss)/profit of associates		**(6,619,806)**	2,876,221
Loss for the year		**(1,054,556,083)**	(3,926,636,328)
Loss per share (basic and diluted)	35	**(1.85)**	(26.82)

The accompanying notes form an integral part of these consolidated financial statements
This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For and on behalf of Board of Directors of

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : May 13, 2013

Raghav Bahl
Managing Director

R D S Bawa
Group Chief Financial Of cer

Place : Noida
Date : May 13, 2013

Sanjay Ray Chaudhuri
Director

Yug Samrat
Company Secretary

Consolidated Cash Flow Statement for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

	Year ended 31 March 2013	Year ended 31 March 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	**(1,368,848,863)**	(4,974,366,247)
Adjustments for :		
Depreciation and amortisation expenses	**714,268,746**	613,674,794
(Profit)/loss on sale/disposal of fixed assets	**(74,236,545)**	42,251,727
Provision for diminution in value of long term investments	**9,438,417**	-
Assets written off	**-**	3,190,041
Employee stock compensation expenses	**44,131,514**	21,250,425
Finance costs	**2,719,771,099**	2,706,662,142
Preliminary expenses written off	**-**	16,942,912
Bad debts and advances written off/ provided for	**315,395,163**	555,705,777
Exchange fluctuation (net)	**102,594,203**	63,967,440
Dividend on current investments	**(186,286,428)**	(1,428,183)
Dividend on long term investments	**(50,000)**	(199,776)
Profit on sale of current investments	**(445,561,298)**	(335,854,779)
Profit on sale of long term investments	**(6,402,064)**	(441,963,302)
Excess provisions written back	**(107,591,129)**	(135,641,493)
Income from trust on sale of shares	**-**	(189,100,000)
Interest income	**(222,121,641)**	(333,037,926)
Exceptional items	**(1,748,275,279)**	-
Operating loss before working capital changes	**(253,774,105)**	(2,387,946,448)
Adjustments for :		
Trade and other receivables	**(455,204,201)**	(416,520,675)
Inventories	**253,709,539**	381,708,719
Trade and other payables	**1,075,543,020**	474,738,731
Cash flow from /(used in) operations	**620,274,253**	(1,948,019,673)
Taxes paid (net of refund)	**(684,255,048)**	(542,023,384)
Net cash used in operating activities	**(63,980,795)**	(2,490,043,057)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital advances)	**(698,735,136)**	(862,164,551)
Sale of fixed assets	**117,331,531**	22,087,321
Sale of long term investments		
- in subsidiaries	**1,227,379,005**	-
- in other companies	**24,838,865**	375,605,289
(Purchase)/ sale of current investments (net)	**(2,840,276,601)**	3,675,235,450
Proceeds from sale of business	**300,000,000**	-
Purchase of long term investments:		
- in subsidiaries and joint venture	**(100,000)**	(604,554,033)
Advance against purchase of shares	**(19,500,000,000)**	-
(Increase)/decrease in other bank balances	**(46,763,613)**	1,061,765,246
Loans and advances received back/ (given) (net)	**190,100,000**	(3,945,962,674)
Interest received	**220,099,514**	280,433,767
Dividend received on current investments	**186,286,428**	1,428,183
Dividend received on long term investments	**50,000**	199,776
Income from trust on sale of shares	**-**	189,100,000
Net cash (used in) /flow from investing activities	**(20,819,790,006)**	193,173,774

Consolidated Cash Flow Statement for the year ended 31 March 2013 (Contd..)

(All amounts in Rupees unless otherwise stated)

	Year ended 31 March 2013	Year ended 31 March 2012
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	**(2,892,547,523)**	(2,367,222,849)
Expenses on issue /proposed issue of shares	**(469,782,814)**	(133,833,510)
Proceeds from issue of equity shares (including securities premium)	**26,996,217,900**	2,051,305
Dividend paid during the year	**-**	248,732
Proceeds from on issue of shares by subsidiaries	**12,954,488,152**	-
Proceeds from issue/(repayment) of debentures and bonds	**(2,999,999,393)**	2,999,999,393
Repayment of borrowings (including changes in short-term borrowings) (net)	**(11,783,860,103)**	(7,308,362,280)
Proceeds from borrowings	**1,354,681,676**	7,327,795,240
Net cash flow from financing activities	**23,159,197,896**	520,676,031
Net increase/ (decrease) in cash and cash equivalents	**2,275,427,095**	(1,776,193,251)
Cash and cash equvalents as at the beginning of the year	**1,281,042,075**	2,940,483,171
Exchange differences on cash and cash equivalents	**9,119,269**	31,863,557
Cash balances of subsidiaries acquired/consolidated during the year	**146,702,352**	84,888,598
Cash and cash equivalents as at the end of the year	**3,712,290,791**	1,281,042,075

1. The above Cash flow statement has been prepared under the indirect method set out in AS-3 prescribed in Companies (Accounting Standards) Rules, 2006.
2. Figures in brackets indicate cash outflow.
3. Previous year figures have been regrouped and recast wherever necessary to conform to the current year classification.

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

For and on behalf of Board of Directors of

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : May 13, 2013

Raghav Bahl
Managing Director

Sanjay Ray Chaudhuri
Director

R D S Bawa
Group Chief Financial Of cer

Yug Samrat
Company Secretary

Place : Noida
Date : May 13, 2013

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

1. These consolidated financial statements comprise a consolidation of the financial statements of Network 18 Media & Investments Limited ("the Company" or "Network 18" or "the parent"), its subsidiaries, joint ventures and associates (the "Group") as listed below.

S. No.	Name of consolidated entity	Country of Incorporation	Percentage of holding as at 31 March 2013
Direct subsidiaries			
1	Network18 Holdings Limited	Mauritius	100.00
2	Capital18 Fincap Private Limited	India	100.00
3	Setpro18 Distribution Limited	India	66.00
4	Television Eighteen Mauritius Limited (TEML)	Mauritius	100.00
5	Television Eighteen Media and Investments Limited (TEMIL)	Mauritius	100.00
6	Newswire18 Limited (till 27 December 2012)	India	77.50
7	RRB Investments Private Limited	India	100.00
8	Digital18 Media Limited	India	100.00
9	TV18 Broadcast Limited	India	51.24
Subsidiary by virtue of control of composition of Boards of Directors			
10	Big Tree Entertainment Private Limited	India	39.75*
11	Infomedia Press Limited	India	47.64
Subsidiaries of subsidiary companies			
Subsidiaries of TV18 Broadcast Limited			
12	RVT Media Private Limited	India	100.00
13	Ibn18 Mauritius Limited	Mauritius	100.00
14	Indiacast Media Distribution Private Limited	India	100.00
Subsidiaries of RVT Media Private Limited			
15	AETN18 Media Private Limited	India	51.00
Subsidiaries of Indiacast Media Distribution Private Limited			
16	IC Media Distribution Services Private Limited	India	100.00
17	Indiacast UK Limited	UK	100.00
18	Indiacast US Limited	USA	100.00
Subsidiaries of Television Eighteen Mauritius Limited, Mauritius			
19	Namono Investments Limited (till 31 October 2012)	Mauritius	100.00
20	TV18 UK Limited (till 30 September 2012)	UK	100.00
21	B K Holdings Limited	Mauritius	100.00
22	Capital18 Limited	Mauritius	100.00
Subsidiaries of Capital18 Limited, Mauritius			
23	Capital18 Acquisition Corporation (till 28 September 2012)	Cayman Islands	98.00
24	Webchutney Studio Private Limited	India	70.06**
Subsidiaries of Webchutney Studio Private Limited, India			
25	Blue Slate Media Private Limited	India	100.00
26	Juxt Consult Research and Consulting Private Limited (till 31 October 2012)	India	60.00
Subsidiaries of Television Eighteen Media & Investments Limited, Mauritius			
27	Web18 Holdings Limited @	Cyprus	100.00***
Subsidiaries of Web18 Holdings Limited, Cyprus			
28	E-18 Limited	Cyprus	100.00

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

S. No.	Name of consolidated entity	Country of Incorporation	Percentage of holding as at 31 March 2013
Subsidiaries of E-18 Limited, Cyprus			
29	e-Eighteen.com Limited	India	91.95
30	Web18 Software Services Limited	India	100.00
Subsidiaries of e-Eighteen.com Limited, India			
31	Moneycontrol Dot Com India Limited	India	100.00
Subsidiaries of Network18 Holdings Limited, Mauritius			
32	TV18 HSN Holdings Limited	Cyprus	52.77#
Subsidiaries of TV18 HSN Holdings Limited, Cyprus			
33	TV18 Home Shopping Network Limited	India	100.00
Subsidiaries of Capital18 Fincap Private Limited			
34	RRK Finhold Private Limited	India	100.00
35	RVT Finhold Private Limited	India	100.00
36	Stargaze Entertainment Private Limited	India	88.89
37	Colosceum Media Private Limited	India	92.00
Subsidiaries of RVT Finhold Private Limited			
38	Greycells18 Media Limited	India	57.61##
Joint ventures of TV18 Broadcast Limited			
39	IBN Lokmat News Private Limited	India	50.00
40	Viacom18 Media Private Limited	India	50.00
41	Viacom18 Media (UK) Limited ###	UK	50.00
42	Viacom18 Media US Inc ###	US	50.00
43	Roptonal Limited ###	Cyprus	50.00
44	The Indian Film Company Limited, Guernsey ###	Guernsey	50.00
45	The Indian Film Company (Cyprus) Limited ###	Cyprus	50.00
46	IFC Distribution Private Limited (merged with Viacom18 Media Private Limited w.e.f. 1 January 2012)###	India	50.00
Joint Venture of Network18 Media & Investments Limited			
47	Reed Infomedia India Private Limited	India	49.00
Joint ventures of Capital18 Fincap Private Limited			
48	Ubona Technologies Private Limited	India	50.00
Associates of Capital18 Fincap Private Limited			
49	Wespro Digital Private Limited	India	49.00
50	24 X 7 Learning Private Limited	India	37.73

* The Company holds 12.10% of the shareholding directly and 27.65% of the shareholding through E-18 Limited, Cyprus.

** The Company holds 49.42% of the shareholding through Capital18 Limited, Mauritius and 20.64% through Capital18 Fincap Private Limited.

*** The Company holds 95.31% of the shareholding through TEMIL and 4.69% of the shareholding through TEML.

\# Percentage determined as per shareholders agreement between SAIF II Mauritius Company Limited, G S Home Shopping Inc. and Network 18 Holdings Limited.

\## The Company holds 55.80% of the shareholding through RVT Finhold Private Limited and 1.81% through Capital18 Fincap Private Limited.

\### Subsidiaries of Viacom18 Media Private Limited.

@ The Company has deregistered from Cayman Island vide certificate of deregistration dated 18 September 2012 and has got registered in Cyprus with effect from 25 April 2013 vide certificate of continuation dated 10 May 2013.

Network 18 Group Senior Professional Welfare Trust, a trust formed for the welfare of specified employees of the Company and its subsidiaries has not been consolidated since no economic benefit will flow to the Company from this trust.

2. Background

A. In relation to Network18 Media & Investments Limited

The Company was incorporated as SGA Finance and Management Services Private Limited in 1996. The name was changed to Network 18 Fincap Private Limited in April 2006. The Company was converted into a Public Company on 20 October 2006. The name was further changed to Network18 Media & Investments Limited on 1 December 2007.

B. Brief description of significant subsidiaries and joint ventures

i. TV18 Broadcast Limited (TV18), formerly known as "ibn18 Broadcast Limited (IBN18)", was incorporated on 6 June 2005. IBN18 is in the business of broadcasting, telecasting, relaying and transmitting general news programmes and operates the news channel "CNN IBN" (consequent to a licensing and content sharing agreement with Turner Broadcasting System Asia Pacific, Inc.). The commercial operations of IBN18 commenced on 17 December 2005. After merger of ibn7 undertaking of Jagran TV Private limited, IBN18 is broadcasting, telecasting, relaying and transmitting Hindi general news programmes and operates the news channel "IBN7". Further, pursuant to the merger of business news undertaking of Television Eighteen India Limited with IBN18, it is also broadcasting business news channels CNBC TV18 and CNBC Awaaz. The name of IBN18 has been changed to TV18 Broadcast Limited with effect from 17 June 2011. Television Eighteen India Limited was incorporated in 1993 and was primarily engaged in content production and broadcasting. The content and news broadcasting business was transferred to TV18 Broadcast Limited and the residual business was merged with the Company as per the Scheme of Arrangement referred to in Note 36.

ii. e-Eighteen.com Limited (E-18) was incorporated on 28 March 2000 as a subsidiary of the Company with the primary objective of setting up of business and finance internet portal. E-18 acquired the business of an established personal finance portal Moneycontrol Dot Com India Limited (MCD) on 21 May 2000. Shares of E-18 were sold to E-18 Limited, Cyprus on 15 June 2006 and subsequent to the sale, E-18 became a subsidiary of E-18 Limited, Cyprus.

iii. Newswire18 Limited (Newswire) was incorporated on 18 September 2006 as Livewire Motion Pictures Private Limited. Newswire became a subsidiary of the Company on 15 November 2006. The name change was effective from 1 December 2006 pursuant to a resolution passed by the members for the same. During the year ended 31 March 2007 Newswire acquired the staff and business of Crisil Market Wire Limited, India's first real-time financial news agency and market data platform company. Newswire was sold on 27 December 2012 and ceased to be a subsidiary with effect from that date.

iv. Digital 18 Media Limited was incorporated on 16 April 2007, and is engaged in the business of printing and publishing business magazine.

v. IBN Lokmat News Private Limited, a 50% joint venture with Lokmat Newspapers Private Limited, is in the business of broadcasting, telecasting, relaying and transmitting general news programmes and operates the news channel "IBN Lokmat".

vi. Viacom18 Media Private Limited (Viacom18), a joint venture of TV18 (with 50% shareholding), operates four TV channels ("Colors", "MTV" (India), "Nick" (India), "VH1" and "Comedy Central".

vii. Indiacast Media Distribution Private Limited was originally incorporated on 25 April 2008 and is engaged in the business of distribution of television channels.

viii. TV18 Home Shopping Network Limited (TV 18 HSN) (Formerly TV18 Home Shopping Network Private Limited), was incorporated on 13 June 2006. TV 18 HSN is primarily engaged in providing the platform to vendors for the distribution of consumer goods through its television channel, website and call centres.

ix. Infomedia Press Limited is in the business of printing services.

x. Stargaze Entertainment Private Limited is in the business of multiplex operation and management business under the brand GLITZ Cinemas.

xi. Bigtree Entertainment Private Limited is in the business of offering online ticketing solution through www.bookmyshow.com.

3. Significant accounting policies

The consolidated financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 to the extent applicable and the provisions of the Companies Act, 1956, ("the Act") as adopted consistently by the Group.

A. Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

B. Basis of consolidation

The consolidated financial statements include the financial statements of the Company, its subsidiaries, joint ventures and associates. The consolidated financial statements of the Group have been prepared in accordance with Accounting Standard (AS 21) 'Consolidated Financial Statements', AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS 27 'Financial Reporting of Interests in Joint Ventures' (as applicable) notified pursuant to the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements are prepared on the following basis:

i. Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated statement of cash flows and notes forming part of the consolidated financial statements. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent for standalone financial statements.

ii. The consolidated financial statements include the financial statements of the Company and all its subsidiaries, which are more than 50 per cent owned or whose composition of Board of Directors is controlled by the Company. Investments in entities that were not more than 50 per cent owned or controlled during the year have been accounted for in accordance with the provisions of Accounting Standard 13 'Accounting for Investments', or Accounting Standard 23 'Accounting for Investments in Associates in Consolidated Financial Statements', or Accounting Standard 27 'Financial Reporting of Interests in Joint Ventures (as applicable) notified pursuant to the Companies (Accounting Standards) Rules, 2006.

iii. The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting elimination of unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the entity to be consolidated. Financial interest in joint ventures has been accounted for under the proportionate consolidation method.

iv. Investments in associates are accounted for using the equity method. The excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as goodwill and included in the carrying value of the investment in the associate. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the associate. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped.

v. Minority interest represents the amount of equity attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in equity since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of equity attributable to the minority on the date of investment is reflected under Reserves and Surplus.

vi. Notes forming part of the consolidated financial statements, represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements.

C. Revenue recognition

Revenue comprises revenue from media operations, commission income, income from sale of products and services and other operating revenue.

Revenue is recognised when it is measurable, at the time of sale or rendering of service, it would not be unreasonable to expect ultimate collection, and when the criteria of recognition for each of the Group's different activities have been met. These activity-specific recognition criteria are described below.

Revenue from media operations

Advertisement revenue

The Group's advertisement revenue comprises of revenue from sale of advertising time/space in electronic media, sale of advertising space in business directories/special interest magazines and revenue from sponsorship contracts.

Revenue from sale of advertising time/space in electronic media is recognised when advertisements are telecast or displayed in accordance with contractual obligations.

Revenue from sale of advertising space in business directories/special interest magazines is recognized in the period in which the directories/magazines are delivered.

Revenue from sponsorship contracts is recognised when the contractual obligation in respect of key milestone in sponsorship contract are fulfilled.

Subscription revenue

The Group's subscription revenue comprises of income from distribution of channels, income from Group's print publications and income from providing information in connection with the Indian stock markets and commodities markets to a registered user base.

Subscription revenue from distribution of channels is recognised on accrual basis in accordance with the terms of the contract.

Subscription revenue from the Group's print publications is recognised as earned, on a per issue basis over the subscription period.

Subscription revenues from providing information in connection with the Indian stock markets and commodities markets is recognised ratably over the period of the subscription.

Licensing and merchandising revenue

- Revenue from licensing and merchandising are recognised as per the terms of the arrangement
- Revenue from licensing of content is recognised in accordance with the licensing agreement or on physical delivery of content, whichever is later.

Sale of film rights and programmes

- Revenues from theatrical distribution of movies are recognised in accordance with the licensing agreement as the films are screened and are recognised at the minimum guarantee due, and where applicable the Group's share of box of ce receipts in excess of the minimum guarantee. Revenue from sale of rights such as satellite, broadcasting, or music rights is recognised in accordance with the licensing arrangements, when the Group has no remaining obligations to perform and all other conditions for sale have been met.

- Revenue from sale of television content is recognised on the acceptance of the related content by the customer.
- Revenue from media related professional and consultancy services is recognised in accordance with contracts on rendering of services.

Circulation revenue

Revenue from circulation of magazines includes sales to retail outlets/ newsstands, which are subject to returns. The Company records these retail sales upon delivery, net of estimated returns. These estimated returns are based on historical return rates and are revised as necessary based on actual returns.

Revenue from events

Revenue from events is recognised after the completion of event.

Barter transactions

Barter transactions are recorded at fair value, being the value at which similar transactions are executed with other parties.

Commission income

Agency commission revenue is recognised as per the terms of agreement with the principals, on rendering of relevant services.

Sale of products and services

Revenue from printing jobs is recognized when the printed material is dispatched and is accounted net of taxes.

Revenue from sale of entry tickets is recognised on receipt basis.

Revenue from online ticket sale is recognised when actual tickets are confirmed.

Rental income

Equipment rental is accounted for on an accrual basis over the period of use by the customer.

Dividend income

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

Investment income

Profit / loss on sale of investments are computed on the basis of weighted average cost on the date of disposal of investments.

Interest income

Interest income is recognized on time proportionate basis, taking into account the amount outstanding and the rate applicable.

D. Fixed Assets

Tangible assets

Tangible assets are stated at historical cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets

Intangible assets are stated at historical cost less accumulated amortization.

Acquired brands/domain names are capitalised at cost of acquisition and disclosed as intangible assets.

Website development costs that provide additional functions or features to the Company's website are capitalised. Maintenance expenses or costs that do not result in new features or functions are expensed as incurred.

E. Depreciation and amortisation

Depreciation and amortisation on fixed assets is calculated on straight line basis using the rates arrived at based on the useful lives estimated by management. The Group has used following useful lives for the fixed assets:

Tangible assets

Building	30 years
Ownership flats	62 years
Plant and equipment	2-21 years
Furniture and fixtures	2-16 years
Vehicles	3-11 years
Information technology and of ce equipment	2-7 years
Leasehold improvements	

Over the initial lease period or estimated useful life which ever is shorter.

Intangible assets

Brands/trademarks	5 years
Computer software	3-5 years
News archives	10-21 years
Acquired goodwill	5 years

F. Goodwill on consolidation

The difference between the cost of investment to the Group in subsidiaries, associates and joint ventures and the proportionate share in the equity of the investee company as at the date of acquisition of stake is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

G. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the Statement of profit and loss.

H. Inventory valuation

Inventory excluding programme rights, is valued as follows:

Raw materials and consumables: Lower of cost and net realizable value., Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis except in case of video tapes cost of which is determined using First in First out (FIFO) method.

Work-in-progress and finished goods: Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Program rights are expensed over the license period or as determined in this policy as mentioned hereunder, whichever is earlier:

- Cost of shows are amortised at 90% in the first year of telecast and balance is amortised evenly in the subsequent financial year. However, short format shows are expensed in the year of production and telecast.
- Acquired rights of shows are amortised evenly over the license period.
- In-house produced animated shows/movies are amortised evenly over four years and live action shows are amortised equally over the period of two years.
- In case of events where the rights are for more than one year, 60% of the cost are amortised in the year of telecast and the balance is amortised equally in the subsequent years. In case the right is for a single year, the entire amount is expensed in the year of telecast.
- Cost of cable and satellite movie rights acquired are amortised on the exploitation of such rights based on the management estimates of future revenue potential.
- In case of film production and distribution, the Group amortises film cost using the individual-film-forecast method. Under this method, such costs are amortised for each film in the ratio that current period revenue for such films bears to management's estimate of remaining unrecognised ultimate revenue as at the beginning of the current fiscal year. Management regularly reviews and revises, where necessary, its total estimates on a film-by-film basis, which may result in a change in the rate of amortisation and/or a write down of the inventory to recoverable amount.
- 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.

I. Investments

Investments are classified as non-current or current, based on management's intention at the time of purchase. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the consolidated financial statements.

Profit/loss on sale of investments is computed with reference to the average cost of the investment.

J. Employee benefits

Provident fund

The Employees Provident Fund scheme of entities within the Group is a defined contribution plan. The Group's contribution to the Employees' Provident Fund is charged to the Statement of profit and loss during the period in which the employee renders the related service.

Gratuity

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation is based on the market yields on government securities as at the balance sheet date. Actuarial gains/losses are recognised immediately in the Statement of profit and loss.

Certain entities within the Group make contributions to funds administered and managed by the insurance companies based on the amount notified by the said insurance companies.

Compensated absences

Benefits comprising long term compensated absences are other long term employee benefits. The liability for compensated absences is determined using the Projected Unit Credit Method, on the basis of an actuarial valuation at the period end. Actuarial gains and losses are recognised immediately in the Statement of profit and loss.

Short term employee benefits

Short term employee benefits expected to be paid or payable in exchange for the services rendered is recognised on undiscounted basis.

Voluntary retirement compensation is fully charged off in the year of severance of service of the employee.

K. Foreign currency transactions

Relating to overseas entities

Indian Rupee is the reporting currency for the Group. However, reporting currencies of certain non-integral overseas subsidiaries are different from the reporting currency of the Group. The translation of local currencies into Indian Rupee is performed for assets and liabilities (excluding share capital and opening reserves and surplus), using the exchange rate as at the balance sheet date.

Revenues, costs and expenses are translated using weighted average exchange rate during the reporting period. The resultant currency translation exchange gain/ loss is carried as foreign currency translation reserve under reserves and surplus. Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investment.

Relating to Indian entities

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian Rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the Statement of profit and loss.

L. Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset when it is probable that they will result in future economic benefits to the Group and the costs can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

M. Employee Stock Option Plan

Accounting value of stock options is determined on the basis of "intrinsic value" representing the excess of the market price on the date of grant over the exercise price of the options granted, and is being amortised as "Deferred employee compensation" on a straight-line basis over the vesting period in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and/ or Guidance Note 18 "Share Based Payments" issued by the Institute of Chartered Accountants of India ("ICAI"), as applicable.

N. Income tax

Income tax comprises current tax and deferred tax. Current tax is determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax charge or credit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal, subject to consideration of prudence, in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Minimum alternate tax (MAT) paid in accordance with Income Tax Act, 1961, which gives rise to future economic benefit in the form of adjustment from income tax liability, is recognised as an adjustment to current tax when it is certain that the Group will be able to set off the same.

Tax provisions for overseas subsidiaries/ joint ventures are determined in accordance with the tax laws of their respective country of incorporation.

O. Website development costs

Costs incurred in the planning or conceptual development of websites are expensed as incurred. Once the planning or conceptual development of a web site has been achieved, and the project has reached the application development stage, the Group capitalises all costs related to web site application and infrastructure development including costs relating to the graphics and content development stages. Training and routine maintenance costs are expensed as incurred.

P. Provisions and Contingencies

The Group makes provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made.

A disclosure is made for a contingent liability when there is a:

- Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Group; or
- Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- Present obligation, where a reliable estimate cannot be made.

Q. Leases

i. Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit & Loss on a straight-line basis over the lease term.

ii. Finance lease

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of assets and present value of minimum lease rentals is capitalised as fixed assets with the corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease liability and the interest component is charged to the Statement of profit and loss.

R. Earnings/ (loss) per share

The Group reports basic and diluted earnings/ (loss) per share in accordance with Accounting Standard 20 'Earnings per Share'. Basic earnings/ (loss) per equity share have been computed by dividing the Net Profit /(loss) after tax by the weighted average number of equity shares outstanding during the period. Diluted earning/ (loss) per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period except where the result would be anti-dilutive.

S. Segment information

i. Identification of Segments:

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

ii. Intersegment transfers

Inter segment revenue have been accounted for based on the transaction price agreed to between the segments which is primarily market led.

iii. Segment policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparation and presenting the financial statements of the Group as a whole.

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
4 Share capital		
a. Authorized share capital		
i. 5,000,000,000 (1,400,000,000) equity shares of Rs. 5 each	**25,000,000,000**	7,000,000,000
ii. 1,100,000 (1,100,000) preference shares of Rs. 100 each	**110,000,000**	110,000,000
iii. 10,500,000 (10,500,000) preference shares of Rs. 200 each	**2,100,000,000**	2,100,000,000
iv. 15,500,000 (15,500,000) preference shares of Rs. 10 each	**155,000,000**	155,000,000
b. Issued, subscribed and paid-up capital		
i. 1,046,433,202 (142,879,916) equity shares of Rs. 5 each fully paid up	**5,232,166,010**	714,399,580
ii. 10,284,379 (10,284,379) Non Convertible Cumulative Redeemable Preference shares of Rs. 150 each	**1,542,656,850**	1,542,656,850
Total issued, subscribed and fully paid-up share capital	**6,774,822,860**	2,257,056,430

c. Reconciliation of the share capital

i. Equity shares

	Year ended 31 March 2013		Year ended 31 March 2012	
	Numbers	**Amount**	Numbers	Amount
At the beginning of the year	**142,879,916**	**714,399,580**	118,895,641	594,478,205
Issued during the year				
- Issue under Scheme of arrangement (refer note 36)	**3,679,356**	**18,396,780**	23,695,044	118,475,220
- Exercise of employee stock options	**-**	**-**	289,231	1,446,155
- Issue of shares in rights issue	**899,873,930**	**4,499,369,650**	-	-
Outstanding at the end of the year	**1,046,433,202**	**5,232,166,010**	142,879,916	714,399,580

ii. Preference shares

There is no movement in number and amount of perference share during the current and previous year.

d. Description of the rights, preferences and restrictions attached to each class of shares

Equity shares : The Company has only one class of equity shares having a face value of Rs. 5 per share. All the existing equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. These equity shares are listed on the National Stock Exchange of India and the Bombay Stock Exchange Limited.

Preference shares : The Preference shareholders shall be, subject to profitability and at the discretion of the Board of Directors, entitled to a cumulative annual dividend @ 5%. These preference Shares carry preferential right in respect of dividends and also carry preferential right in regard to repayment of capital in case of winding up. Preference Shares are redeemable at the end of five years from 15 May 2008 at Rs. 150 per share.

e. Details of shares allotted for consideration other than cash

(Within 5 years preceding the Balance Sheet date)

Particulars	**Year (Aggregate No. of Shares)**				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares :					
Allotted as fully paid up under Scheme of arrangement (refer note 36)	**3,679,356**	23,695,044	-	-	-

f. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
Equity Shares of Rs. 5 each Fully Paid up				
RB Holdings Private Limited	-	-	43,531,337	30.47
Network18 Group Senior Professional Welfare Trust	**15,922,729**	**1.52**	15,922,729	11.14
Network18 Media Trust	**11,586,762**	**1.11**	11,586,762	8.11
SAIF III Mauritius Company Limited	**9,202,650**	**0.88**	9,202,650	6.44
ACACIA Banyan Partners	**29,229,484**	**2.79**	7,181,684	5.03
RRB Mediasoft Private Limited	**108,515,123**	**10.37**	-	-
RB Mediasoft Private Limited	**127,560,417**	**12.19**	-	-
RB Media Holdings Privated Limited	**127,528,586**	**12.19**	-	-
Watermark Infratech Private Limited	**127,528,287**	**12.19**	-	-
Colorful Media Private Limited	**127,528,287**	**12.19**	-	-
Adventure Marketing Private Limited	**127,528,287**	**12.19**	-	-
Non Convertible Cumulative Redeemable Preference shares of Rs. 150 each				
Keyman Financial Services Private Limited	**4,710,000**	**45.80**	4,710,000	45.80
RB Investments Private Limited	**1,627,771**	**15.83**	1,627,771	15.83
Reliance Capital Limited	**675,343**	**6.57**	675,343	6.57

g. Terms of securities convertible into equity/preference shares

During the year ended 31 March 2012, the Company issued 18,691,585 10% Secured Optionally Fully Convertible Debentures (" SOFCDs"). These SOFCDs were issued at a price of Rs. 160.50 per SOFCD on 15 June 2011 and were convertible within a period of 18 months from the date of allotment of SOFCDs into 18,691,585 Equity Shares. The SOFCD holders had provided an irrevocable undertaking dated 29 February 2012 that they (i) shall not exercise the option for conversion of SOFCDs into Equity Shares and (ii) shall not transfer the SOFCDs. During the year ended 31 March 2013, these SOFCDs were repaid.

h. Shares reserved for issue under options and other commitments

i) As on 31 March 2013, 1,182,712 (1,513,951) Employees Stock Options were outstanding under the Employee Stock Option Plans of the Company. Each option would entitle the holder thereof to subscribe to one Equity Share of Rs. 5 each in the Company

ii) As on 31 March 2013, the Company had nil (18,691,585) 10% Secured Optionally Fully Convertible Debenture(s) (SOFCDs) outstanding. For details refer note 'g' above

i. Share forfeited

In the financial year 2009-10, 12,072 Partly Convertible Cumulative Redeemable Preference shares on which call money was unpaid were forfeited.

j. Shares pending allotment

	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
Nil (previous year 3,679,356) Equity shares of Rs 5 each fully paid up to be issued pursuant to the Scheme of arrangement between the Company and Infomedia Press Limited (formerly Infomedia 18 Limited) (refer note 36 (ii))	-	18,396,780

(All amounts in Rupees unless otherwise stated)

	As at 31 March 2013	As at 31 March 2012
5. Reserves and surplus		
a. Capital reserve	**201,116,274**	201,116,274
b. Securities premium account		
Balance at the beginning of the year	**8,894,551,605**	10,823,761,840
Add: Premium received on issue of shares on rights basis	**22,496,848,250**	-
Add: Amount received pursuant to exercise of employee stock options and conversion of secured optionally fully convertible debentures	**-**	81,327,721
Add : Adjustment on account of scheme of arrangement (refer note 36)	**-**	4,445,892,281
Less : Expenses incurred on issue of shares on rights basis	**(442,084,130)**	-
Less : Adjustment on consolidation of subsidiaries	**-**	(1,359,745,223)
Less : Difference of book value and fair value of assets adjusted pursuant to the Scheme of arrangement (refer note 36)	**-**	(4,599,476,866)
Less : Amount transferred from deficit in the statement of profit and loss as per the Scheme of arrangement	**-**	(497,208,148)
Balance at the end of the year	**30,949,315,725**	8,894,551,605
c. Employee stock options outstanding		
Gross employee stock compensation for option granted	**151,921,353**	136,323,323
Less : Deferred employee stock compensation	**8,810,273**	20,727,146
	143,111,080	115,596,177
d. General reserve		
Balance at the beginning of the year	**89,162,358**	56,182,738
Add : Amount transferred from employee stock option reserve on expiring of options	**15,275,933**	2,968,485
Add : Adjustment on account of scheme of arrangement (refer note 36)	**-**	30,011,135
Balance at the end of the year	**104,438,291**	89,162,358
e. Foreign currency translation reserve		
Balance at the beginning of the year	**163,162,094**	(69,218,219)
Additions/deletions during the year (net)	**15,640,497**	232,380,313
Balance at the end of the year	**178,802,591**	163,162,094
f. Capital reserve on consolidation of subsidiaries	**1,103,212,648**	1,103,212,648
g. Foreign currency monetary item translation difference account		
Balance at the beginning of the year	**(113,817,008)**	-
Add : Amount recognised during the year	**634,513**	(144,476,761)
Less: Amount amortised during the year	**(75,131,028)**	(30,659,753)
Balance at the end of the year	**(38,051,467)**	(113,817,008)
h. Deficit in the statement of profit and loss		
Deficit at the beginning of the year	**(9,497,458,488)**	(3,086,111,806)
Loss for the year	**(1,054,556,083)**	(3,926,636,328)
Add : Amount transferred to securities premium account pursuant to the Scheme of arrangement	**-**	497,208,148
Less : Deficit of subsidiaries held for sale upto 31 March 2011	**-**	(1,656,396,096)
Less : Adjustment on account of scheme of arrangement (refer note 36)	**(148,986,103)**	(859,917,901)
Less : Adjustment on consolidation of subsidiaries	**-**	(445,527,388)
Less : Expenses incurred on issue of shares on rights basis by a subsidiary company	**(370,689,601)**	(20,077,117)
Net deficit in the statement of profit and loss	**(11,071,690,275)**	(9,497,458,488)
	21,570,254,867	955,525,660

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
6.	**Long-term borrowings**		
	Secured		
	Term loans		
	- from banks	**960,710,296**	3,895,272,645
	- from others	**242,593,250**	374,346,076
	Long term maturities of finance lease obligations (refer note 41) (Secured by hypothecation of fixed assets purchased under finance lease arrangements)	**5,885,358**	8,452,854
		1,209,188,904	4,278,071,575
	Unsecured		
	Term loans		
	- from banks	**367,425**	882,975
	- from others	**3,857,147**	5,201,042
	Public deposits (deposits are repayable at the time of maturity)	**1,236,455,000**	1,641,612,000
		1,240,679,572	1,647,696,017
		2,449,868,476	5,925,767,592

Security details for borrowings covered under note no. 6 and note no. 11 is as follows:

		31 March 2013	31 March 2012
I.	Term loans under Long term borrowings	**1,203,303,546**	4,269,618,721
II.	Term loans under Other current liabilities	**1,383,056,926**	1,662,634,495
III.	Secured Optionally Fully Convertible Debentures (SOFCDs)	**-**	2,999,999,393
		2,586,360,472	8,932,252,609

		31 March 2013	31 March 2012
i	Term loan from bank is secured by first pari passu charge over fixed assets and current assets of a Joint Venture company.	**990,000,000**	1,000,000,000
ii	Term loan is secured by first charge over entire fixed assets amounting to Rs 135,665,000 (50% share) as on 31 March 2012 of a Joint Venture company, and unconditional and irrevocable corporate guarantee of the Company and Joint Venture Partner.	**20,203,193**	44,125,000
iii	Term loan from others is secured by first pari passu charge on movable fixed assets of the existing CNBC division of the subsidiary company and is collaterally secured by pledge of shares by the promoters/ group entities and personal guarantee of the promoter of the Company and corporate guarantee of the Company.	**365,800,000**	499,400,000
iv	Term loan from bank is secured by first charge over entire fixed assets of the subsidiary company and unconditional and irrevocable corporate guarantee of the Company.	**1,087,800,000**	2,047,598,372
v	The Term loan is secured by (a) a pari passu charge on the entire fixed and current assets of the subsidiary company, present and future (b) Personal Guarantee of a Director.	**87,500,000**	157,500,000

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
vi	Vehicle loans are secured by the hypothecation of vehicles financed.	**35,057,279**	27,190,759
vii	Term loan from Bank is secured by first hypothecation charge/ mortgage on all movable assets of the borrower which are acquired out of Term Loan and second charge on all existing fixed assets of the borrower including all immovable properties of the borrower.	-	92,006,687
viil	Term loan secured by first pari passu charge on fixed assets and current assets of the Company. This loan is additionally guaranteed by Mr Raghav Bahl, the Promoter of the Company.	-	1,000,000,000
ix	10% SOFCDs with a tenure of 18 months, with an option exercisable by the security holder to convert each SOFCD into one equity share of Rs. 5/- of the Company at a price of Rs. 160.50 (including premium of Rs. 155.50). The SOFCD holders have provided an irrevocable undertaking dated 29 February 2012 that they (i) shall not exercise the option for conversion of SOFCDs into Equity Shares and (ii) shall not transfer the SOFCDs. These are secured by way of mortgage of land situated at Gujarat.	-	2,999,999,393
x	Term loan is secured by first charge over entire fixed assets of IBN7 division of the subsidiary company amounting to Rs 320,400,000 as on 31 March 2009, and unconditional and irrevocable corporate guarantee of the Company.	-	23,685,065
xi	Term loan is secured by first charge on all movable assets including plant and machinery and equipment acquired / to be acquired out of the proceeds of the term loan of IBN7 division of the subsidiary company and unconditional and irrevocable corporate guarantee of the Company.	-	7,414,000
xii	Term loan from bank is secured by subservient charge on all movable fixed assets (all present & future) of CNN-IBN and IBN7 divisions of the subsidiary company and unconditional and irrevocable corporate guarantee of the Company, to remain valid during currency of credit facility.	-	33,333,333
xiii	Term loan is secured by subservient charge on all current assets and movable fixed assets (all present & future) of the subsidiary company and is secured by personal guarantee of the promoter of the Company and corporate guarantee of the Company.	-	1,000,000,000
xiv	Term loan is secured by first charge on the project assets of the subsidiary company ranking pari passu with other term lenders of the project and collateral additional security of pledge of shares by the promoters with market value of 150% of debt and personal guarantee of the promoter of the Company.	-	-
		2,586,360,472	8,932,252,609

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
7.	**Other long-term liabilities**		
	Advance from customers	**5,100,802**	13,744,982
	Interest accrued but not due	**75,474,880**	84,365,306
	Payable on account of business acquisition*	-	22,500,000
	Other payables	**643,612**	4,208,902
		81,219,294	124,819,190

* During the year ended 31 March 2012, a subsidiary company acquired an online books portal named CoinJoos.com for a total consideration of Rs. 50,000,000 (out of which payment of Rs. 40,000,000 is contingent upon the promoter of CoinJoos.com continuing in the subsidiary company's employment). The acquisition was made to enhance the Group's position in books selling category. Since no identified tangible/intangible fixed assets were acquired from CoinJoos.com, the entire purchase consideration has been accounted for as goodwill and is being amortised over a period of 5 years.

Further, as per the subsidiary company's agreement with the promoters of CoinJoos.com, the contingent consideration is payable upon achievement of certain milestones. As per management's forecast, the future milestones as per the aforementioned agreement are likely to be achieved and the agreed payments upon achievement of those milestones shall be paid as stipulated in the agreement. Accordingly, the consideration payable on achievement of these milestones amounting to Rs.27,500,000 has been presented as a current liability in these financial statements. During the year ended 31 March 2013, on account of non-achievement of a milestone contingent consideration of Rs.5,000,000 has been written back as other income.

8.	**Long-term provisions**		
	Provision for employee benefits	**246,050,695**	229,325,679
	Provision for indemnity (refer A below)	**1,340,662,656**	1,332,141,415
	Proposed preference dividend	**8,648**	6,088
		1,586,721,999	1,561,473,182

A During the year ended 31 March 2011, Roptonal Limited, Cyprus ("Roptonal") a subsidiary of the Company's jointly controlled entity, Viacom18 Media Private Limited made a public offer for purchase of entire issued capital of The Indian Film Company Limited, Guernsey ('TIFC'). The Company and its subsidiary, Network18 Holdings Limited, Mauritius ("Network18 Holdings"), in their capacity as shareholders in TIFC accepted the public offer. Further, pursuant to an agreement between Roptonal and Network 18 Holdings, Network 18 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.

Network 18 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 Network 18 Holdings shares in TIFC. The aforementioned agreement further provided that if Network18 Holdings does not undertake the indemnity obligations agreed in the agreement, the indemnity shall be provided by the Company.

During the year ended 31 March 2012, the Company carried out a fair valuation exercise of the aforementioned film library and accordingly recognised its share of the said indemnity obligation

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
9.	**Short-term borrowings**		
	Secured		
	Cash credit	**773,123,247**	1,963,354,340
	Working capital demand loan	**2,278,175,938**	800,000,000
	Term loans		
	- from banks	**-**	3,489,000,000
	- from others	**-**	340,000,000
		3,051,299,185	6,592,354,340
	Unsecured		
	Commercial paper (payable on maturity)		
	- from banks	**-**	750,000,000
	- from others	**-**	1,000,000,000
	Loans from banks	**232,185,321**	1,621,410
	Loans and advances from related parties	**-**	15,000,010
	Public deposits (deposits are repayable at the time of maturity)	**1,474,089,878**	2,675,935,835
	Other loans and advances	**-**	1,700,000
		1,706,275,199	4,444,257,255
	Total	**4,757,574,384**	11,036,611,595

Security details for term loans covered under Note no. 9 is as follows:

i	The cash credit is secured against first pari passu charge on all the current assets of CNN IBN and IBN7 divisions of the subsidiary company and additionally secured by unconditional and irrevocable corporate guarantee of the Company. Further out of the total secured amount, Rs. 155,014,479 is additionally secured by second charge on movable fixed assets of CNN IBN and IBN7 divisions of the subsidiary company."	**314,748,556**	400,844,778
ii	The cash credit is secured against hypothecation of book debts of the subsidiary company.	**91,070**	125,320,388
iii	The cash credit including working capital demand loans is secured against first pari passu charge on all current assets of the CNBC division of the subsidiary company with other working capital lenders.	**286,225,651**	487,208,515
iv	The cash credit including working capital demand loans is secured by a first pari passu charge over fixed assets and current assets of the joint venture and fixed deposit of Rs. 67,935,000 (50% share) are provided as collateral security.	**1,878,175,938**	1,520,637,134
v	The cash credit is secured by first pari passu charge on all the current assets of the joint venture and additionally secured by unconditional and irrevocable corporate guarantee of the Company and joint venture partner	**3,429,824**	6,746,833
vi	The cash credit including working capital demand loan is secured by exclusive charge on the current and movable assets including loans and advances of the subsidiary company and corporate guarantee of the Company.	**499,946,979**	-
vii	Loan is secured against first pari passu charge on current assets and movable fixed assets of the borrower and personal guarantee of the promoter of the Company.	**68,681,167**	45,102,778
viii	Term loan secured by second charge by way of hypothecation over the future and present movable fixed assets of the Company. This loan is also secured by the personal guarantee by the Promoter of the Company.	**-**	3,489,000,000

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
ix	Term loan secured by second charge by way of hypothecation over the future and present movable fixed assets of the Company. This loan is also secured by the personal guarantee by the Promoter of the Company.	-	340,000,000
x	The cash credit is secured against first charge on book debts and movable assets of subsidiary company, both present and future and personal guarantee of the promoter of the Company.	-	46,434,863
xi	Cash credit is secured by pari passu second charge on all fixed assets of the borrower and pari passu first charge on all current assets of the borrower.	-	97,049,239
xii	The cash credit is secured against (i).first pari passu charge on all the current assets and movable fixed assets (both present and future) of the subsidiary company. (ii). first pari passu charge on immovable property of the subsidiary company.	-	33,931,919
xiii	Loan is secured against first pari passu charge on all existing and future current assets and fixed assets (movable and immovable other than vehicles specifically charged to other Banks/Financial Institutions, etc) of the borrower and personal guarantee of the promoter of the Company.	-	77,893
		3,051,299,185	6,592,354,340

10	**Trade payables**		
	Due to micro and small enterprises	**423,473**	1,637,941
	Due to others	**6,334,763,796**	4,562,676,514
		6,335,187,269	4,564,314,455
11	**Other current liabilities**		
	Current maturities of long - term borrowings (refer note 6 - Long term borrowings for the details of security and guarantee)		
	- Public deposits (unsecured)	**972,175,000**	1,354,565,000
	Term loans - secured		
	- Banks	**1,153,188,999**	1,515,334,477
	- from others	**229,867,927**	147,300,018
	Current maturities of finance lease obligations	**2,567,496**	2,263,687
	Nil (18,691,585) 10 % Secured Optionally Fully Convertible Debentures of Rs 160.50 each	-	2,999,999,393
	Interest accrued on borrowings	**312,904,114**	476,790,111
	Advance from customers	**640,393,604**	704,565,471
	Unclaimed dividends	**2,105,054**	2,995,675
	Amount collected on behalf of vendors	**490,232,946**	243,701,468
	Unpaid matured deposits and interest accrued thereon	**237,754,242**	235,330,935
	Statutory dues payable	**494,363,935**	317,990,185
	Bank overdraft	**100,357,848**	96,978,353
	Payable for capital goods	**41,515,583**	84,444,880
	Security deposits	**23,045,559**	21,380,755
	Payable on account of business acquisition (refer note 7)	**27,500,000**	17,500,000
	Other payables	**251,092,404**	288,374,516
		4,979,064,711	8,509,514,924

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
12	**Short-term provisions**		
	Provision for employees benefits	**58,368,231**	43,382,419
	Provision for sales returns *	**10,499,763**	19,415,009
	Provision for tax (net of advance tax)	**15,592,461**	9,333,520
		84,460,455	72,130,948
	*** Provision for sales returns**		
	Opening balance	**19,415,009**	14,358,627
	Addition during the year	**34,956,827**	49,860,110
	Amount utilized during the year	**(43,872,073)**	(44,803,728)
	Closing balance	**10,499,763**	19,415,009

A provision is recognised for expected returns on products sold during the year based on past experience of level of returns. It is expected that most of this provision will be utilised in the next financial year.

13 Tangible assets

	Freehold land	Leasehold land	Leasehold improvements	Buildings	Ownership flats	Plant and equipments	Plant and equipments on finance lease	Furniture and fixtures	Vehicles	Information technology and office equipment	Information technology equipment on finance lease	Total	Previous year
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Gross block													
Balance as at 1 April 2012	3,740,544	1,913,125	918,185,104	48,468,815	23,741,895	3,693,261,452	11,754,532	258,347,995	132,589,504	947,352,921	684,119	6,040,040,006	5,276,141,494
Additions on consolidation of new subsidiaries	-	-	-	-	-	-	-	-	-	14,470,079	-	14,470,079	255,942,045
Additions	-	-	51,718,272	814,830	4,717,030	109,885,841	-	8,354,160	32,325,232	114,659,292	-	322,474,657	688,933,163
Disposal / adjustments	-	-	(96,265,618)	-	(20,038,332)	(400,328,147)	-	(26,192,962)	(21,074,043)	(68,276,295)	-	(632,175,397)	(180,976,696)
Transfer to assets held for disposal	-	-	-	-	-	(640,626,533)	-	-	-	-	-	(640,626,533)	-
Balance as at 31 March 2013	**3,740,544**	**1,913,125**	**873,637,758**	**49,283,645**	**8,420,593**	**2,762,192,613**	**11,754,532**	**240,509,193**	**143,840,693**	**1,008,205,997**	**684,119**	**5,104,182,812**	**6,040,040,006**
Accumulated depreciation/ mpairment													
Balance as at 1 April 2012	**-**	**842,910**	**522,803,787**	**32,684,554**	**6,333,327**	**2,327,993,221**	**561,334**	**123,692,766**	**45,104,486**	**665,872,422**	**159,347**	**3,726,048,104**	**3,315,113,270**
Additions on consolidation of new subsidiaries	-	-	-	-	-	-	-	-	-	6,705,939	-	6,705,939	38,294,637
Charge for the year	-	31,219	127,877,827	1,733,080	393,191	223,899,530	765,866	18,832,493	14,064,890	107,321,817	110,895	495,030,808	490,478,601
Disposal / adjustments	-	-	(89,782,196)	-	(5,021,753)	(363,270,138)	-	(18,195,110)	(7,541,918)	(44,480,293)	-	(528,291,409)	(117,838,404)
Transfer to assets held for disposal	-	-	-	-	-	(626,798,557)	-	-	-	-	-	(626,798,557)	-
Balance as at 31 March 2013	**-**	**874,129**	**560,899,418**	**34,417,634**	**1,704,765**	**1,561,824,056**	**1,327,200**	**124,330,149**	**51,627,458**	**735,419,885**	**270,242**	**3,072,694,885**	**3,726,048,104**
Net block													
Balance as at 31 March 2012	**3,740,544**	**1,070,215**	**395,381,317**	**15,784,261**	**17,408,568**	**1,365,268,231**	**11,193,198**	**134,655,229**	**87,485,018**	**281,480,499**	**524,772**	**2,313,991,902**	**1,961,028,224**
Balance as at 1 March 2013	**3,740,544**	**1,038,996**	**312,738,340**	**14,866,011**	**6,715,828**	**1,200,368,557**	**10,427,332**	**116,179,044**	**92,213,235**	**272,786,113**	**413,877**	**2,031,487,927**	**2,313,991,902**

14 Intangible assets

	News archives Gross block	Computers software	Goodwill	Brands/ Trademarks	Total	Previous year
Gross block						
Balance as at 1 April 2012	20,498,422	528,191,377	232,617,439	207,028,133	988,335,371	825,110,534
Additions on consolidation						
of new subsidiaries	-	11,363,520	-	-	11,363,520	8,358,591
Additions	-	331,562,420	-	722,449	332,284,869	220,749,631
Deletions / adjustments	-	(64,477,014)	(15,000,000)	(26,194,573)	(105,671,587)	(65,883,385)
Balance as at 31 March 2013	**20,498,422**	**806,640,303**	**217,617,439**	**181,556,009**	**1,226,312,173**	**988,335,371**
Accumulated amortisation						
Balance as at 1 April 2012	**14,199,256**	**354,253,626**	**189,894,670**	**155,925,040**	**714,272,592**	**652,287,469**
Additions on consolidation						
of new subsidiaries	-	4,779,987	-	-	4,779,987	3,471,560
Charge for the year	973,675	170,385,205	10,000,000	37,879,059	219,237,939	123,196,193
Deletions / adjustments	-	(50,053,848)	(15,000,000)	(21,662,219)	(86,716,067)	(64,682,630)
Balance as at 31 March 2013	**15,172,931**	**479,364,970**	**184,894,670**	**172,141,880**	**851,574,451**	**714,272,592**
Net block						
Balance as at 31 March 2012	**6,299,166**	**173,937,751**	**42,722,769**	**51,103,093**	**274,062,779**	**172,823,065**
Balance as at 31 March 2013	**5,325,491**	**327,275,333**	**32,722,769**	**9,414,129**	**374,737,722**	**274,062,779**

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

	As at 31 March 2013	As at 31 March 2012
15 NON CURRENT INVESTMENTS		
1 Investment in equity shares : Quoted		
Investments in others		
474,308 (Previous year 474,308) equity shares Rs. 4 each fully paid up in KSL and Industries Limited *	**8,869,562**	8,869,560
Nil (Previous year 500,000) equity shares of Re. 1 each fully paid up in Provogue (India) Limited *	**-**	13,529,310
Nil (Previous year 500,000) equity shares of Rs. 2 each fully paid up in Prozone Capital Shopping Center Limited	**-**	5,520,690
275,000 (Previous year 275,000) equity shares of Rs. 10 each fully paid up in Refex Refrigerants Limited *	**55,000,000**	55,000,000
Less: Diminution in value of investment	**(54,999,999)**	(46,433,750)
2,20,000 (Previous year 2,20,000) equity shares of Rs. 10 each fully paid up in Royal Traders Limited	**2,200,000**	2,200,000
8,100 (Previous year 8,100) equity shares of Rs. 10 each fully paid up in Inca Finlease Limited	**1,513,960**	1,513,960
Beneficiary interest in Network 18 Media Trust (11,586,762 shares of the Company)	**1,815,746,185**	1,815,746,185
2 Investments in equity shares : Unquoted		
(a) Investments in associates		
1,07,593 (Previous year-1,07,593) equity shares of Rs.10 each in 24x7 Learning Private Limited	**197,845,698**	204,505,429
9,800 (Previous year 9,800) equity shares of Rs. 10 each fully paid up in Wespro Digital Private Limited	**55,149,928**	55,110,011
(b) Investments in others		
Nil (Previous year 73) Equity shares of Network Play Private Limited of Rs 100 each fully paid up	**-**	7,300
898,500 (Previous year 898,500) equity shares of Rs. 10 each fully paid up in Delhi Stock Exchange Association Limited *	**62,895,000**	62,895,000
Less: Diminution in value of investment	**(62,894,999)**	(62,894,999)
3,192 (Previous year 3,192) equity shares of Rs. 10 each fully paid up in Skorydove Systems Private Limited *	**60,000,000**	60,000,000
Less: Diminution in value of investment	**(59,999,999)**	(59,999,999)
83,763 (Previous year 83,763) equity shares of Rs. 10 each fully paid up in Ensemble Infrastructure India Limited *	**60,000,000**	60,000,000
Less: Diminution in value of investment	**(59,999,999)**	(59,999,999)
2,700,000 (Previous year 2,700,000) ordinary shares of USD 0.0001 each of Yatra Online Inc.	**121,126,530**	113,933,320
301,876 Equity shares (Previous year 301,876) of Rs 10 each fully paid up in MobileNXT Teleservices Private Limited	**151,190,000**	151,190,000

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
3	**Investments in Preference shares : Unquoted**		
	(a) Investment in Joint Venture		
	250,000 (Previous year 250,000) 0.10% Non Cumulative Redeemable Preference Shares of Series "II" of IBN Lokmat News Private Limited of Rs. 100 each fully paid up	**25,000,000**	25,000,000
	(b) Investment in others		
	2,500,000 (Previous year 2,500,000) 8% Cumulative Redeemable Non Convertible Preference Shares of 100 each in BK Media Private Limited	**250,000,000**	250,000,000
	2,500,000(Previous Year 2,500,000) Preference shares of Rs.100 each of Den Entertainment Network Private Limited	**25,000,000**	25,000,000
	1,500,015 (Previous year 1,500,015) Series A Preference Shares of USD 0.0001 each fully paid up in Yatra Online Inc.	**35,700,454**	33,580,350
	975,700 (Previous year 975,700) Series B Preference shares of USD 0.0001 each fully paid up in Yatra Online Inc.	**67,987,500**	63,950,000
	437,459 (Previous year 437,459) Series C Preference Shares of USD 0.0001 each fully paid up in Yatra Online Inc.	**76,614,787**	72,064,948
4	**In government securities - Unquoted**		
	National Saving Certificates	**974,500**	974,500
5	**In Debentures and Bonds**		
	Unquoted		
	30 (Previous year 30) unsecured redeemable non convertible, Upper Tier II Bonds of Yes Bank Limited of Rs. 1,000,000 each	**30,000,000**	30,000,000
	43 (Previous year 43) Loan Bonds of USD 100,000 each	**233,877,000**	219,988,000
6	**In Mutual Funds - Unquoted**		
	Nil (previous year 154.21) units of DSP BlackRock Strategic Bond Fund	**-**	161,025
	Nil (previous year 97.83) units of DSP BlackRock Money Manager Fund	**-**	97,946
		3,098,796,108	3,101,508,787
Aggregate amount of quoted investments		**1,828,329,708**	1,855,945,955
Aggregate amount of unquoted investments		**1,270,466,401**	1,245,562,832
Aggregate diminution in value of investments		**237,894,996**	229,328,747

* During the year ended 31 March 2012 these investment have been fair valued and Rs 431,409,095 has been debited to Securities premium account of the subsidiary (refer note 36).

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
16	**Deferred tax (liability)/ assets**		
	Deferred tax liability arising on account of		
	Depreciation, amortization and impairment	**(2,299,098)**	(11,433,326)
	Inventory amortisation	**(205,087,116)**	(36,027,065)
	Gross deferred tax liability	**(207,386,214)**	(47,460,391)
	Deferred tax assets arising on account of		
	Expenditure charged to the statement of profit and loss but allowable for tax purpose in subsequent years	**129,441,730**	13,310,600
	Provision for diminution in the value of investments	**771,162**	840,508
	Provision for doubtful debts and advances	**35,106,719**	37,738,549
	Depreciation and amortisation	**51,387,163**	16,701,910
	Provision for employee benefits	**451,254**	2,242,798
	Brought forward losses/ unabsorbed depreciation	**-**	10,386,095
	Gross deferred tax assets	**217,158,028**	81,220,460
	Net deferred tax assets	**9,771,814**	33,760,069
	Recognised as deferred tax asset	**10,346,463**	34,359,197
	Recognised as deferred tax liability	**(574,649)**	(599,128)
17	**Long term loans and advances (unsecured, considered good, unless otherwise stated)**		
	Capital advances	**24,503,618**	56,383,649
	Security deposits		
	Considered good	**460,528,023**	469,879,362
	Considered doubtful	**2,122,360**	2,122,360
	Less: Provision for doubtful deposits	**(2,122,360)**	(2,122,360)
		460,528,023	469,879,362
	Loans and advances to related parties	**5,029,454,639**	5,168,562,674
	Advances recoverable in cash or in kind		
	Considered good	**171,411,518**	195,726,894
	Considered doubtful	**47,867,195**	47,867,195
	Less: Provision for doubtful advances	**(47,867,195)**	(47,867,195)
		171,411,518	195,726,894
	Income tax paid (net of provisions)	**2,320,810,321**	608,993,094
	Prepaid expenses	**1,698,667**	1,738,384
	Loans and advances to employees		
	Considered good	**80,143,682**	71,540,753
	Considered doubtful	**56,478,188**	60,689,307
	Less: Provision for doubtful advances to employees	**(56,478,188)**	(60,689,307)
		80,143,682	71,540,753
		8,088,550,468	6,572,824,810

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
18	**Trade receivables - non current**		
	Secured, considered good	**6,852**	11,474,314
	Unsecured, considered good	**5,393,450**	3,877,184
	Unsecured, considered doubtful	**69,803,845**	88,090,717
	Less: Provision for doubtful receivables	**(69,803,845)**	(88,090,717)
		5,400,302	15,351,498
19	**Other non current assets**		
	Interest accrued but not due	**-**	51,479,572
	Advance against purchase of shares	**19,500,000,000**	-
	Fixed deposits with banks *	**363,709,351**	177,952,102
		19,863,709,351	229,431,674

* Fixed deposit of Rs. 151,266,669 (previous year Rs.167,731,286) is under lien with banks against bank guarantees to certain authorities to meet export obligation and is restricted from being exchanged or used to settle a liability for more than 12 months from the balance sheet date.

20	**Current investments - Quoted**		
	(Valued at cost)		
1	Investment in equity shares : Quoted		
	Investments in others		
	698,288 (Previous year 4,020,076) equity shares of Rs 10 each fully paid up in Den Network Limited	**7,072,645**	40,717,536
		7,072,645	40,717,536
2	Mutual Fund		
	10,273,811 (Previous year Nil) units of Birla Sun Life mutual fund	**285,596,066**	-
	6,579,522 (Previous year Nil) units of IDFC Cash Fund	**158,172,412**	-
	105,893 (Previous year Nil) units of Baroda Pioneer Liquid Fund	**105,960,124**	-
	263,164 (Previous year Nil) units of Religare Mutual Fund	**263,615,685**	-
	11,253,367 (Previous year Nil) units of DWS Mutual Fund	**194,719,884**	-
	10,138,240 (Previous year Nil) units of JM High Liquidity Fund - Daily Dividend Option (39)	**105,743,874**	-
	35,649 (Previous year Nil) units in Principal Mutual Fund	**35,651,538**	
	191,822 (Previous year Nil) units of TATA Mutual Fund	**215,021,664**	-
	9,181,791 (Previous year Nil) units of Templeton India Mutual Fund	**241,948,422**	-
	111,947 (Previous year Nil) units of Reliance Liquidity Mutual Fund	**171,136,607**	-
	5,815,759 (Previous year Nil) units of Axis Mutual Fund	**169,057,814**	-
	78,487 (Previous year Nil) units of Kotak Mutual Fund	**95,974,177**	-
	48,538 (Previous year Nil) units of UTI Mutual Fund	**49,482,099**	-
	103,175 (Previous year Nil) units of Premerica Liquid Fund	**103,200,480**	-
	14,692,253 (Previous year Nil) units of Peerless Mutual Fund	**146,944,567**	-
	212,631 (Previous year Nil) units of L&T Mutual Fund	**215,104,684**	-
	12,311,217 (Previous year Nil) units of HDFC Mutual Fund	**126,323,991**	-
	194,866 (Previous year Nil) units of Taurus Liquid Fund	**194,884,202**	-
	102,681 (Previous year Nil) units of Daiwa Liquid Fund	**102,735,017**	-
	458,630 (Previous year Nil) units of Rs. 10 each in ICICI Prudential Mutual Fund	**48,493,276**	-
	160,421 (Previous year Nil) units of DSP BlackRock Liquidity Fund	**161,002,533**	-
	721,643 (Previous year Nil) units of Rs. 10 each in Deutsche Mutual Fund	**65,489,466**	-
	63,193 (Previous year Nil) units of Rs. 10 each in Morgan Mutual Fund	**63,224,208**	-
		3,319,482,790	
		3,326,555,435	40,717,536

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
21	**Inventories**		
	Raw materials and components	**24,915,416**	23,912,284
	Projects-in-progress	**751,980,197**	1,012,728,284
	Work-in-progress	**112,607,242**	156,994,431
	Stock-in-trade	**2,448,911**	3,187,226
	Stores and spares	**2,500,000**	7,666,625
	Tapes and compact discs	**15,711,359**	22,965,702
	Programming and film rights	**1,993,365,856**	1,929,783,968
		2,903,528,981	3,157,238,520
22	**Trade receivables - current**		
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	Secured, considered good	**3,906**	30,747,744
	Unsecured, considered good	**333,263,912**	490,285,999
	Unsecured, considered doubtful	**452,958,615**	409,372,216
	Less: Provision for doubtful receivables	**(452,958,616)**	(409,372,216)
		333,267,817	521,033,743
	Other receivables		
	Secured, considered good	**74,880,709**	49,735,333
	Unsecured, considered good	**5,070,063,446**	4,993,362,315
	Unsecured, considered doubtful	**49,941,457**	55,445,246
	Less: Provision for doubtful receivables	**(49,941,457)**	(55,445,246)
		5,144,944,155	5,043,097,648
		5,478,211,972	5,564,131,391
23	**Cash and bank balances**		
	Cash and cash equivalents		
	Balances with banks:		
	In current accounts	**1,871,146,929**	912,179,464
	In deposit accounts	**1,175,950,706**	201,772,696
	Cheques/drafts in hand	**637,582,652**	150,827,910
	Cash in hand	**27,610,504**	16,262,005
		3,712,290,791	1,281,042,075
	Other bank balances		
	Deposits with original maturity of more than 3 months	**204,690,054**	133,750,423
	In current accounts - Earmarked balances	**1,331,313**	4,856,280
	In deposit accounts - Held as security	**1,218,100**	14,550,000
	In Deposit accounts - Earmarked balances		
	Balance with banks held as per Rule 3A of Companies (Acceptance of deposits) Rules, 1975	**-**	58,029,400
	Balances held as margin money against borrowings	**79,345,000**	167,935,000
	Unutilised money of rights issue	**-**	46,457,000
		286,584,467	425,578,103
		3,998,875,258	1,706,620,178

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

		As at 31 March 2013	As at 31 March 2012
24	**Short term loans and advances (unsecured, considered good, unless otherwise stated)**		
	Security deposits	**107,215,944**	53,273,841
	Loans and advances to related parties		
	Considered good	**592,269,936**	588,646,188
	Considered doubtful	**-**	38,277,714
	Less: Provision for doubtful loans and advances	**-**	(38,277,714)
		592,269,936	588,646,188
	Advances recoverable in cash or in kind		
	Considered good	**1,087,467,027**	610,385,668
	Considered doubtful	**11,971,742**	11,971,742
	Less: Provision for doubtful loans and advances	**(11,971,742)**	(11,971,742)
		1,087,467,027	610,385,668
	Income tax paid (net of provisions)	**3,119,359**	1,130,967,145
	Fringe benefit tax paid	**148,367**	494,196
	Service tax input credit	**616,768,013**	489,297,072
	Loans and advances to employees	**95,002,520**	111,676,822
	Prepaid expenses	**246,131,667**	288,251,242
	Other loans and advances	**627,993,932**	431,529,907
		1,589,163,858	2,452,216,384
		3,376,116,765	3,704,522,081
25	**Other current assets**		
	Expenditure incurred on scheme of arrangement and offering of equity shares	**62,547,175**	145,303,792
	Unbilled revenue	**230,108,934**	75,305,793
	Interest receivable	**71,840,776**	68,963,288
	Fixed assets held for disposal	**13,827,976**	-
	Recoverable on account of sale of business	**150,000,000**	-
	Others	**25,491,149**	642,957
	Total	**553,816,010**	290,215,830

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

		Year ended 31 March 2013	Year ended 31 March 2012
26	**Revenue from operations**		
	Income from media operations	**20,341,906,185**	17,262,569,444
	Commission income	**2,230,697,325**	1,065,934,848
	Income from sale of products and services	**972,399,981**	1,255,087,247
	Other operating revenue	**281,939,149**	135,641,493
		23,826,942,640	19,719,233,032
27	**Other income**		
	Interest income on		
	- Long-term investments	**2,294,905**	2,857,808
	- Others	**219,826,736**	330,180,118
	Dividend income on		
	- Current investments	**186,286,428**	1,428,183
	- Long-term investments	**50,000**	199,776
	Profit on sale of current investments	**445,561,298**	569,731,656
	Profit on sale of long term investments	**6,402,064**	208,086,425
	Income from trust on sale of shares	**-**	189,100,000
	Excess provisions written back	**107,591,129**	-
	Profit on sale of fixed assets	**74,236,545**	-
	Miscellaneous income	**7,857,420**	26,050,483
		1,050,106,525	1,327,634,449
28	**Cost of material consumed and traded goods sold**		
	a. Cost of material consumed		
	Opening balance		
	- Raw material	**23,912,284**	67,623,318
	- Work in progress	**4,406,684**	2,008,033
	- Add : Purchase of paper, inks and binding material	**227,574,179**	218,928,858
		255,893,147	288,560,209
	Less: Closing balance		
	- Raw material	**24,915,416**	23,912,284
	- Work in progress	**-**	4,406,684
		24,915,416	28,318,968
		230,977,731	260,241,241
	b. Cost of traded products		
	Opening balance	**3,187,226**	2,720,793
	Add : Purchased during the year	**29,863,435**	27,427,171
	Less: Closing balance	**2,448,911**	3,187,226
		30,601,750	26,960,738
	c. Change in inventory of work in progress		
	Work in progress at the beginning of the year	**152,587,747**	43,486,835
	Less : Work in progress at the end of the year	**112,607,242**	152,587,747
		39,980,505	(109,100,912)
		301,559,986	178,101,067

(All amounts in Rupees unless otherwise stated)

		Year ended 31 March 2013	Year ended 31 March 2012
29	**Employee benefits expense**		
	Salaries, wages and bonus	**4,222,469,599**	4,021,169,256
	Contribution to provident fund and other funds	**193,828,294**	172,657,224
	Employee stock compensation expenses	**44,131,514**	21,250,425
	Staff welfare expenses	**273,662,717**	246,888,342
	Employee benefits	**79,183,193**	64,630,173
		4,813,275,317	4,526,595,420
30	**Finance costs**		
	Interest expenses	**2,621,951,415**	2,454,461,576
	Other financial charges	**97,819,684**	252,200,566
		2,719,771,099	2,706,662,142
31	**Depreciation and amortization expense**		
	Depreciation on tangible assets	**495,030,808**	490,478,601
	Amortization of intangible assets	**219,237,939**	123,196,193
		714,268,747	613,674,794
32	**Other expenses**		
	Programming, film production and shoot expenses	**4,846,220,623**	5,294,044,342
	Studio and equipment hire charges	**293,515,913**	229,691,620
	Telecast and uplinking fee	**145,546,490**	156,437,728
	Content and franchise expenses	**658,850,266**	752,789,657
	Media professional fees	**317,914,787**	368,206,868
	Other production expenses	**101,896,215**	44,411,407
	Event expenses	**281,851,259**	432,953,786
	Site support cost	**83,591,373**	67,297,375
	Consumption of stores and spares	**73,582,757**	17,220,467
	Distribution, advertising and business promotion	**8,318,090,629**	6,353,069,973
	Electricity, power and fuel expenses	**179,010,292**	164,820,072
	Rent	**672,763,369**	662,290,450
	Repairs and maintenance - Plant and equipment	**133,514,142**	141,525,944
	Repairs and maintenance - Building	**1,688,325**	283,485
	Repairs and maintenance - Others	**127,718,864**	87,200,187
	Insurance	**39,797,332**	41,338,094
	Rates and taxes	**95,763,102**	29,773,151
	Legal and professional expenses	**527,647,972**	557,020,698
	Directors sitting fee	**570,000**	6,856,743
	Loss on sale / disposal of assets	**-**	42,251,727
	Bad debts and advances written off/ provided for	**315,395,163**	555,705,777
	Of ce upkeep and maintenance expenses	**90,124,322**	94,777,999
	Brokerage and discounts	**106,881,497**	38,839,377
	Travelling and conveyance	**730,119,421**	702,293,706
	Postage and communication costs	**316,801,718**	299,383,281
	Printing and stationery	**17,240,628**	25,586,577
	Outwork and ancillary printing	**93,062,938**	57,831,824
	Assets written off	**-**	3,190,041
	Exchange difference (net)	**102,594,203**	63,967,440
	Vehicle running and maintenance	**114,591,722**	115,874,092
	Provision for diminution in value of investments	**9,438,418**	-
	Miscellaneous expenses	**534,949,685**	455,070,867
		19,330,733,425	17,862,004,755

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

(All amounts in Rupees unless otherwise stated)

		Year ended 31 March 2013	Year ended 31 March 2012
33	**Prior period items**		
	Salaries, wages and bonus	**-**	83,084,689
	Rent	**1,518,957**	10,673,525
	Printing and stationery	**-**	7,362,624
	Distribution, advertising and business promotion	**2,184,364**	6,099,321
	Other financial charges	**327,120**	4,371,744
	Miscellaneous expenses	**(64,294)**	6,018,663
	Event expenses	**2,810,619**	3,077,986
	Content and franchise expenses	**200,000**	2,931,283
	Repairs and maintenance - Plant and equipments	**(22,341)**	-
	Travelling and conveyance	**12,462**	2,669,920
	Staff welfare expenses	**-**	2,654,455
	Postage and communication costs	**12,111**	4,173,419
	Contribution to provident fund and other funds	**-**	2,242,271
	Electricity expenses	**(1,463,155)**	1,911,196
	Other production expenses	**3,689,195**	-
	Bad debts and advances written off/ provided for	**5,490,455**	-
	Repairs and maintenance - Others	**-**	1,306,910
	Media professional fee	**-**	241,952
	Rates and taxes	**12,257,462**	200,080
	Insurance	**128,088**	41,263
	Legal and professional expenses	**817,981**	11,920
	Miscellaneous income	**-**	(62,500)
	Equipment hire charges	**(2,171,108)**	-
	Income from subscription	**(12,000,000)**	-
	Advertising and sponsorship revenue	**-**	(658,959)
	Interest income	**-**	(4,156,212)
		13,727,916	134,195,550
34	**Exceptional items**		
	Gain on disposal of business	**504,807,605**	-
	Gain on disposal of investment in subsidiaries	**1,293,144,363**	-
	Less: Loss relating to impairment of goodwill	**49,676,690**	-
	Less: Amount paid under voluntry retirement scheme	**100,836,816**	-
		1,647,438,462	-

35. Loss per share

Basic and diluted loss per equity share have been computed by dividing the net loss after tax by the number of equity shares outstanding for the year, as below.

Particulars	**Year ended 31 March 2013**	Year ended 31 March 2012
a. Loss after tax attributable to equity shareholders	**1,054,556,083**	3,926,636,328
b. Weighted average number of equity shares in calculating basic loss per share	**569,701,990**	149,342,983
c. Nominal value of equity share	**5**	5
d. Loss per share (basic and diluted)	**1.85**	26.29

**since the potential equity shares are anti-dilutive, diluted loss per share is same as basic loss per share*

36. Schemes of arrangement

(i) The Board of Directors of the Company, on 7 July 2010 approved a Scheme of Arrangement ("the Scheme") with an overall objective of simplifying the corporate structure of the Company and its subsidiaries, associates and joint ventures (together referred to as the "Network18 Group"). The Scheme has been approved by Hon'ble High Court of Delhi and made effective on 10 June 2011 with an appointed date of 1 April 2010. As a consequence of the Scheme, "Business News Operations" comprising of 'CNBC TV18' and 'CNBC Awaaz' channels and teleport business of Television Eighteen India Limited ("TV18"), a subsidiary of the Company, has been transferred to another subsidiary - ibn18 Broadcast Limited (now known as TV18 Broadcast Limited). The remaining TV18 (post demerger of "Business News Operations" of TV18) along with its investments stands merged with the Company. Further, in consideration of the merger of the residual TV18 with the Company, on 23 June 2011, the Company had issued 23,695,044 equity shares to the shareholders of TV18 (in the ratio of 13 equity shares of Rs. 5 for every 100 equity shares in TV18 of Rs. 5). This represents 17% of the total issued shares of the Company. In addition, in accordance with the Scheme, 'the Web Undertakings' of Web18 Software Services Limited and Television Eighteen Commoditiescontrol.com Limited, Care Websites Private Limited, RVT Investments Private Limited and Network18 India Holdings Private Limited have been merged into the Company. The remaining TV18, RVT Investments Private Limited and Network 18 India Holdings Private Limited primarily held investments in other companies. The 'web undertaking' of Web18 Software Service Limited operates certain websites. Television Eighteen Commodities control.com Limited and Care Websites Private Limited do not carry out any significant business operations.

Further, as per the Scheme, ibn18 Media & Software Limited (ibn18 Media) a subsidiary of TV18 Broadcast Limited and iNews.com Limited (iNews) a subsidiary of TV18 were merged into TV18 Broadcast Limited. Since these were the wholly owned subsidiary companies of TV18 Broadcast Limited and TV18 respectively, no consideration was paid to their shareholders. As per the Scheme, the shareholders of TV18 were issued 68 shares of TV18 Broadcast Limited in lieu of 100 shares held in TV18 thereby constituting 34.23% of the total issued share capital of TV18 Broadcast Limited.

Based on accounting prescribed in the Scheme, during the year ended 31 March 2012, the Group fair valued its assets and liabilities and debited Rs. 4,599,476,866 the difference between such fair values and the corresponding book values to the Securities Premium Account, which otherwise as per Accounting Standards would have been debited to the Statement of Profit and Loss in the relevant previous years. If the said amount would have been debited to the Statement of Profit and Loss instead of debiting the Securities Premium Account, the loss for the year ended 31 March 2012 would have increased from Rs. 3,926,636,328 to Rs 8,526,113,194 representing a 117% increase and the balance in Securities Premium Account would have increased from Rs. 8,894,551,605 to Rs. 13,494,028,471 representing a 52% increase.

(ii) The Board of Directors of the Company, on 7 July 2010, announced and approved another Scheme of Arrangement ('the Infomedia Scheme') between Infomedia 18 Limited ("Infomedia 18") and the Company and their respective shareholders and creditors. As per the Infomedia Scheme, the Business Directories business, the New Media business and the Publishing business of Infomedia18 stands demerged into the Company while the Printing Press business of Infomedia 18 continues to remain with Infomedia18. The Infomedia Scheme has been approved by the Hon'ble High Court of Delhi on 22 May 2012 and made effective on 1 June 2012 with an appointed date of 1 April 2010.

Further, in consideration of the demerger of the Business Directories business, the New Media business and the Publishing business of Infomedia18 into the Company, on 19 June 2012, the Company had issued 3,679,356 equity shares to the shareholders of Infomedia18 (in the ratio of 14 equity shares of Rs. 5 for every 100 equity shares in Infomedia 18 of Rs. 10), This represents 2.5% of the total issued shares of the Company. The demerged undertaking of Infomedia 18 is engaged in publication of Yellow Pages (Business Directories), special interest magazines and operating certain websites.

The amalgamations have been accounted for under the pooling of interests method as modified for the provisions of respective schemes of arrangement. Since the aforementioned schemes of arrangement were entered into between the subsidiaries of the Group, from the perspective of consolidated financial statements, no consideration was transferred to or net identifiable assets were acquired from outside the Group.

(iii) During the year, in case of one of the joint venture of the Group namely Viacom18 Media Private Limited ("Viacom18"):

a) The Hon'ble High Court of Bombay vide its order dated November 02, 2012 had approved the Scheme of Arrangement ("the Viacom Scheme") between Viacom18 Media Private Limited ("Viacom18") and its indirect wholly owned subsidiary IFC Distribution Private Limited ("IFC") inter-alia involving the merger of IFC with Viacom18. A copy of the Court order was filed with the Of ce of Registrar of Companies, Mumbai on 1 December 2012 and accordingly the Viacom Scheme has come into effect from 1 December 2012 (the "Effective Date") with the Appointed Date being 1 January 2012 (the "Appointed Date"). The accounting has been done as per the Pooling of Interests Method in accordance with AS-14 "Accounting for Amalgamations" issued by The Institute of Chartered Accountants of India. No shares were issued pursuant to the Viacom Scheme since IFC was an indirect wholly owned subsidiary of Viacom18

b) Pursuant to the aforesaid Scheme, the debit balance in the Statement of Profit and Loss of Viacom18 to the extent of Rs. 13,39,745,000 as at 31 March 2011 has been adjusted from the Securities Premium Account. Had the Viacom Scheme not prescribed the aforesaid accounting treatment, as at 31 March 2013, the balance in Securities Premium Account would have been higher by Rs. 13,39,745,000 for Viacom18.

c) The Viacom18 Group has fair valued its assets and liabilities on the effective date in accordance with the Scheme (such assets and liabilities comprise Film Rights, Trade Receivables, Loans and Advances and Deferred Tax Liability) and have in accordance with the Viacom Scheme, debited Rs. 2,90,761,000 to the Securities Premium Account being the differential between the book value and the fair value. Had the Viacom Scheme not prescribed the aforesaid accounting treatment, the said amount would have been debited to the Statement of Profit and Loss instead of debiting the Securities Premium Account, the loss for the year ended 31 March 2013 would have increased from Rs. 202,775,000 to Rs. 493,536,000

37. Contingent liabilities and commitments not provided for

Particulars	**31 March 2013**	31 March 2012
(i) Contingent liabilities		
Liabilities under export obligation in "Export Promotion Capital Goods Scheme"	**109,251,793**	109,251,793
Guarantee given by banks for joint venture	**48,016,037**	750,000
Guarantees given by banks for subsidiaries	**291,514,750**	11,193,125
Corporate guarantees given on behalf of joint ventures	**-**	101,743,668
Guarantees for loans to employees	**47,460,025**	47,441,177
Demand in excess of provisions		
- Income tax	**996,993,078**	492,862,082
- Sales/ Works contract matters	**54,968,422**	36,717,487
- Service tax	**16,993,598**	16,993,598
Claims not acknowledged as debt	**4,131,890,788**	5,740,124,021
(ii) Capital commitments		
Capital expenditure commitments	**103,323,297**	162,831,873

A. In the case of the Company

Contingent payment under agreement for sale of subsidiaries of Rs. 16,993,598 (Previous year Rs. 16,993,598).

B. In the case of TV 18 Broadcast Limited

i. TV18 Broadcast Limited has purchased capital equipment under the 'Export Promotion Capital Goods Scheme'. As per the terms of the licenses granted under the scheme, TV18 Broadcast Limited has undertaken to achieve an export commitment of Rs. 874,014,347 (Previous year Rs. 874,014,347) over a period of 8 years commencing from 10 August 2005, failing which TV18 Broadcast Limited shall be liable to pay customs duty of Rs. 109,251,793 (Previous year Rs. 109,251,793) and interest on the same at the rate of 15 per cent compounded annually. The banks have given a guarantee amounting to Rs. 136,247,427 (Previous year Rs. 115,272,086) on behalf of the TV18 Broadcast Limited to the customs authorities for the same. During the year TV18 Broadcast Limited has made two applications to fulfill its export obligation of Rs. 143,460,616 to Director General of Foreign Trade for issuance of the export obligation discharge certificate (EODC). The remaining export commitment as at the year end being Rs. 730,553,731. Subsequent to the year end TV18 Broadcast Limited has made applications for the remaining export commitment of Rs. 730,553,731.

ii. Guarantees given by banks on behalf of TV18 Broadcast Limited outstanding at the year ended Rs. 291,514,750 (Previous year Rs. 6,193,125).

iii. TV18 Broadcast Limited has given corporate guarantees of Rs. 249,000,000 (Previous year Rs. 249,000,000) towards credit facility given by banks to IBN Lokmat News Private Limited. As at the year end Rs. 47,266,037 (Previous year Rs.101,743,668) was outstanding in respect of such loans.

iv. Claims against TV18 Broadcast Limited not acknowledged as debts include demands raised by Income Tax authorities aggregating to Rs. 424,978,295. Amounts deposited by TV18 Broadcast Limited against these claims – Rs. 82,406,373 which are included in Advance Income Tax in Note 17. No provision has been made in the accounts for these demands as TV18 Broadcast Limited expects a favorable decision in appeal. This liability is related to operations of Telivision Eighteen India Limited transferred to TV18 Broadcast Limited pursuant to the Scheme.

v. TV18 Broadcast Limited has extended corporate guarantee of Rs. 50,900,000 in favour of ICICI Home Finance Company Limited in consideration of loan facility extended by ICICI Home Finance Company Limited to the employees of TV18 Broadcast Limited. As at the year end, Rs. 47,460,025 Previous year Rs.47,441,177) was outstanding in respect of such loan. This liability is related to operations of Telivision Eighteen India Limited transferred to TV18 Broadcast Limited pursuant to the Scheme.

vi. TV18 Broadcast Limited has received legal notices of claims / lawsuits filed against it relating to infringement of copyrights, objectionable contents and defamation suits in relation to the programmes produced by it, the aggregate claim being Rs. 3,115,238,072 (Previous year Rs. 3,123,653,000). In the opinion of the management, no material liability is likely to arise on account of such claims/law suits and thus no provision has been made against these in the consolidated financial statements.

vii. TV18 Broadcast Limited has received legal notice of claims/ lawsuits filed by Rahmat Fatima Amanullah ("Plaintiff") against IBN7 Hindi News channel, Mr Sukesh Ranjan, Mr. Ashutosh, Mr Chandra Mohan Kumar, Mr Rajdeep Sardesai and Mr Raghav Bahl ("Defendants") thereby alleging that the news broadcasted by the Defendants has damaged the Plaintiff's reputation and caused her extreme mental agony and trauma standing before her family, friends, peers, society. The Plaintiff has prayed for a claim of Rs. 1,000,000,000 against the Defendants along with the cost of litigation. The suit is currently pending.

C. In the case of Viacom18 Media Private Limited

Particulars	**Year ended 31 March 2013**		Year ended 31 March 2012	
	Total	**Group's share**	Total	Group's share
Claims against Viacom18 not acknowledge as debts	**33,305,432**	**16,652,716**	32,942,042	16,471,021
Taxation matters in respect of which appeals are pending	**777,264,081**	**388,632,041**	244,838,077	122,419,039
Guarantee given	**1,500,000**	**750,000**	1,500,000	750,000

D. In the case of Infomedia Press Limited ('Infomedia')

i. Infomedia has received demands of Rs. 97,416,646 (31 March 2012 - Rs. 109,870,463) towards Income Tax for the Assessment Year 2005-06, 2006-2007, 2007-2008 and 2010-2011. Infomedia has disputed the demands and has preferred / is in the process of preferring appeals before appellate authorities, to set aside the demands and carry out necessary rectifications.

ii. Sales tax / Works Contract tax matters disputed by Infomedia relating to issue of applicability, allowability, etc. aggregating to Rs. 54,968,422 (31 March 2012 : Rs. 36,717,487) for the F.Y 2000-2001, 2001-2002 and 2002-03.

In respect of the demands/claims described in paragraphs (i) and (ii) above, Infomedia has also assessed that the possibility of these cases being decided against the Company and the demand crystallizing on Infomedia is not probable and hence no provision is required.

iii. Bank guarantee given to Bombay Stock Exchange ('BSE') towards issue of Equity shares on rights basis amounting to Rs. Nil (31 March 2012 - Rs.5,000,000).

E. In the case of Big Tree Entertainment Private Limited ('Big Tree')

Claim against Big Tree not acknowledged as debts include demands raised by Income Tax authorities aggregating to Rs. 22,068,586 (Previous year Rs. 21,241,600). No provision has been made in the accounts for these demands as Big Tree expects a favourable decision in appeal.

F. In the case of Setpro18 Private Limited ('Setpro')

Claim against the company which was not acknowledged as debt includes a demand raised by the Income Tax Authorities relating to the AY 10-11 amounts to Rs. 63,897,510. .No amount has been deposited against this claim. Also, no provision has been made for this demand as Setpro expects a favourable decision in appeal.

Other litigations against the Group

Mr. Victor Fernandes and other ("plaintiffs") had on 25 August 2006 filed a suit as derivative action on behalf of e-Eighteen.com Limited before the High Court of Bombay against Mr. Raghav Bahl, TV 18 and other TV18 group entities (now subsidiaries of the Company). The plaintiffs are minority shareholders of e-Eighteen.com Limited and have alleged that Mr. Raghav Bahl, TV18, ICICI Global Opportunities Fund and e-Eighteen.com Limited had entered into a subscription cum shareholders agreement dated 12 September 2000 under which Mr. Raghav Bahl and TV18 had inter alia undertaken that any opportunity offered to them shall only be pursued or taken up through e-Eighteen.com Limited or its wholly owned subsidiaries. The plaintiffs have alleged that Mr. Raghav Bahl and TV18 have promoted and developed various businesses through various entities which should have under the aforesaid agreement rightfully been undertaken by e-Eighteen.com Limited or its wholly owned subsidiaries. The plaintiffs have alleged that by not doing so Mr. Raghav Bahl and TV18 have caused monetary loss to e-Eighteen.com Limited as well as to the plaintiffs. The plaintiffs have valued their claim in the suit at Rs. 31,140,600,000 and have inter alia prayed that Mr. Raghav Bahl, TV18 and other TV18 group entities be ordered to transfer to e-Eighteen.com Limited all their businesses, activities and ventures along with all assets and intellectual property.

The plaintiffs had filed a notice of motion on 18 September 2006 seeking an interim relief. A reply had been filed with the Bombay High Court on 14 November 2006. The said notice of motion was dismissed on 8 August 2008 against which the plaintiffs have filed an appeal before the division bench of the Bombay High Court. The said appeal was dismissed by the High Court on 21 September 2011.

Based on the legal advice by the legal counsel, management is of the view that the above claim made by the plaintiffs is unlikely to succeed and has accordingly made no provisions in the consolidated financial statements

38. Employee Stock Option / Stock Purchase / Stock Awards/ Stock Appreciation Rights Plans

A) Employee share-based payment plans of Network 18 Media & Investments Limited

a. The Company's Employee Stock Option Plans (ESOPs) framed in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines") which have been approved by the Board of Directors and the Shareholders are listed below. Schemes listed at serial (i) to (vii) were established as mirror schemes of the then existing ESOP schemes in Television Eighteen India Limited, in terms of the Scheme of Arrangement.

i) The Network 18 Employees Stock Option Plan 2002 (ESOP 2002)
ii) The Network 18 Employees Stock Option Plan 2004 (ESOP 2004)
iii) The Network 18 Senior Employees Stock Option Plan 2004 (Senior ESOP 2004)
iv) The Network 18 Employees Stock Option Plan 2005 (ESOP 2005)
v) The Network 18 Long Term Retention Employees Stock Option Plan 2005 (Long Term Retention ESOP 2005)
vi) The Network 18 Employees Stock Option Plan C 2007 (ESOP C 2007)
vii) The Network 18 Employees Stock Option Plan 2007 (ESOP 2007)

b. Salient terms of the ESOP schemes of the Company, in force, are:

Particulars	**ESOP 2002**	**ESOP 2004**	**Senior ESOP 2004**
Number of options granted	40,020	573,600	575,976
Vesting date	1. 50% of the options, after one year from the date of grant. 2. Balance 50% of the options two years after from the date of grant.	After three years from the date of grant except as follows in respect of 213,000 options whose terms have been modified: (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011	Except for 143,994 options, vesting details are as follows 1. One third after two years from the date of grant 2. Remaining two third after 4 years from the grant date. In respect of 143,994 options, vesting details are as follows : (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011
Vesting requirements	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed
Exercise period	During three years after the vesting date.	During two years after the vesting date.	During two years after the vesting date.
Method of settlement	Equity settled	Equity settled	Equity settled

Particulars	**ESOP 2005**	**Long Term Retention ESOP 2005**	**ESOP (C) 2007**	**ESOP 2007**
Number of options granted	915,600	300,000	700,000	3,962,736
Vesting date	Except for 51,200 options, to vest equally over three years from the date of grant. 51,200 options to vest as follows: (i) 50% on 11 February 2010 (ii) 50% on 11 February 2011	At any time at the end of 4 years from the date of grant.	Equally over a period of six years from the date of grant.	After one year from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Board

Particulars	ESOP 2005	Long Term Retention ESOP 2005	ESOP (C) 2007	ESOP 2007
Vesting requirements	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed	Continuation of services and such other conditions as may be prescribed
Exercise period	During one year after vesting date.	During one year after vesting date.	During four years after vesting date.	Exercise period will commence from the vesting date and extended upto the expiry period of the option as may be decided by the Board
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled

c. **Details of options and weighted average prices**

Particulars	ESOP 2002		ESOP 2004		SENIOR ESOP 2004	
	Options	Weighted Average Price	Options	Weighted Average Price	Options	Weighted Average Price
a) Outstanding at the beginning of the period	- (20,010)	- (5.00)	30,900 (60,600)	45.31 (45.31)	172,673 (192,671)	36.15 (70.44)
b) Granted during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
c) Exercised during the period	- (-)	- (-)	- (26,100)	- (20.00)	- (19,998)	- (13.33)
d) Forfeited during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
e) Expired during the period	- (20,010)	- (5.00)	16,200 (3,600)	37.55 (20.00)	162,673 (-)	37.55 (-)
f) Outstanding at the end of the period	- (-)	- (-)	14,700 (30,900)	20.00 (29.20)	10,000 (172,673)	13.34 (36.15)
g) Exercisable at the end of the period	- (-)	- (-)	14,700 (30,900)	20.00 (29.20)	10,000 (172,673)	13.34 (36.15)
h) Weighted average share price at the date of exercise	- (-)	N.A N.A	- (26,100)	- (124.00)	- (19,998)	- (124.00)
i) Weighted average remaining contractual life (years)	- (-)	N.A. N.A.	0.85 (0.41)	N.A. N.A.	0.85 (0.20)	N.A. N.A.
j) Unvested Option outstanding at the end of the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

Particulars	LONG TERM RETENTION ESOP 2005		ESOP 2005		ESOP 2007 (C)	
	Options	**Weighted Average Price**	**Options**	**Weighted Average Price**	**Options**	**Weighted Average Price**
a) Outstanding at the beginning of the period	300,000 (300,000)	37.55 (348.35)	5,400 (10,200)	20.00 (20.00)	233,334 (466,667)	5.00 (5.00)
b) Granted during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
c) Exercised during the period	- (-)	- (-)	- (4,800)	- (20.00)	- (233,333)	- (5.00)
d) Forfeited during the period	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
e) Expired during the period	- (-)	- (-)	1,800 -	20.00 -	- (-)	- (-)
f) Outstanding at the end of the period	300,000 (300,000)	37.55 (37.55)	3,600 (5,400)	20.00 (20.00)	233,334 (233,334)	5.00 (5.00)
g) Exercisable at the end of the period	300,000 (300,000)	37.55 (348.35)	3,600 (5,400)	20.00 (20.00)	116,667 -	5.00 -
h) Weighted average share price at the date of exercise	- (-)	- (-)	- (4,800)	- (124.00)	- (233,333)	- (60.65)
i) Weighted average remaining contractual life (years)	0.62 (0.62)	N.A. N.A.	0.85 (-)	N.A. N.A.	0.51 (1.51)	N.A. N.A.
j) Unvested Option outstanding at the end of the period	- -	- -	- (-)	- (-)	116,667 (233,334)	5.00 (5.00)

Particulars	**ESOP 2007**	
	Options	**Weighted Average Price**
a) Outstanding at the beginning of the period	771,644 (396,250)	33.51 (56.52)
b) Granted during the period	- (422,736)	- (32.52)
c) Exercised during the period	- (5,000)	- (73.50)
d) Forfeited during the period	- (-)	- (-)
e) Expired during the period	150,566 (42,342)	35.19 (33.94)
f) Outstanding at the end of the period	621,078 (771,644)	33.10 (33.51)
g) Exercisable at the end of the period	544,588 (534,827)	36.40 (51.98)
h) Weighted average share price at the date of exercise	- (5,000)	- (124.00)
i) Weighted average remaining contractual life (years)	2.38 (3.31)	N.A N.A
j) Unvested Option outstanding at the end of the period	76,490 (236,817)	33.10 (27.39)

Note

During the year ended 31 March 2012, pursuant to the amalgamation of TV18 with the Company, 3,251,819 options issued by TV18 were converted into 422,736 options of the Company (in the ratio of 13 options of the Company for every 100 options of TV18).

The exercise price of these options was determined by the Remuneration Committee of the Company in their meeting held on 11 August 2011. The replacement of stock options of TV 18 with the stock options of the Company is a modification to the original grant. However, no incremental intrinsic value was determined as a result of such modification.

B) Employee share based payment plans of Infomedia Press Limited

The Company has provided share based payment schemes to its employees. During the year ended 31 March 2013 the following schemes were in operation:

Employee Stock Option Plan 2004 (ESOP 2004):

Particulars	Grant 1		Grant 2		Grant 3		Grant 4		Grant 5		Grant 6	
Date of Grant/ Board Approval	25, Oct 04		10, May 05		28, Oct 05		27, Jun 06		27, Oct 06		22, Nov 07	
No of Options Granted	1,64,000		1,00,000		1,55,500		17,500		18,500		38,500	
Exercise Price Per Option (Rs.)	86.85		141.45		150.8		180.5		154.05		209.85	
Revised Exercise Price Per Option (Rs.) vide Board Approval Dated July 15, 2010	-		-		10		10		10		10	
Method of Settlement	Equity		Equity		Equity		Equity		Equity		Equity	
Vesting Period	Date	Options	Date	Options	Date	Options	Date	Options	Date	Options	Date	Options
	24, Oct 05 (1 Year)	40,000	30, May 06 (1 Year & 21 days)	20,000	27, Oct 06 (1Year)	77,750	26, Jun 07 (1 Year)	8,750	26, Oct 07 (1 Year)	9,250	21,Nov 08 (1 Year)	19,250
	30, May 06 (1 year & 217 days)	60,000	30, May 07 (2 Years & 21 days)	80,000	27, Oct 07 (2 Years)	77,750	26, Jun 08 (2 Years)	8,750	26, Oct 08 (2 Years)	9,250	21,Nov 09 (1 Year)	19,250
	31, Mar 06 (1 Year & 157 days)	32,000										
	31, Mar 07 (2 Years & 157 days)	32,000										
Exercise Period	Three Years		Three Years		Three Years		Three Years		Three Years		Three Years	

This scheme (ESOP 2004) is covered under the approval of the shareholders vide their Annual General Meeting held on 28 July 2004 as modified at Extra Ordinary General Meeting held on 20 January 2005 and Annual General Meeting held on October 10, 2006 and further modified through postal ballot resolution , results whereof were declared on 15 July 2010.

The details of activity under the plan are summarized below:

Particulars	Year ended 31 March 2013		Year ended 31 March 2012	
	No. of Shares	Weighted Average Exercise Price (Rs.)	No. of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	1,750	10.00	9,750	10.00
Grant during the year	-	-	-	-
Exercised during the year	-	-	-	-

No. of options lapsed during the year	1,750	10.00	8,000	10.00
Outstanding at the end of the year	-	-	1,750	10.00
Exercisable at the end of the year	-	-	1,750	
Weighted average remaining contractual life (in years)	-	-	0.32	
Weighted average fair value of the options granted (Rs.)	-	-	-	

Details of exercise price for Stock Options outstanding at the end of the year are:

Year End	**Range of Exercise Price (Rs.)**	**No. of Options Outstanding**	**Weighted average remaining contractual life (in years)**	**Weighted average exercise price (Rs.)**
31 March 2013	-	-	-	-
31 March 2012	10	1750	.32	10

Employee Stock Option Plan 2007 (ESOP 2007):

Particulars	**Grant 1**		**Grant 2**		**Grant 3**	
Date of Grant/Board Approval	2 April 2009		26 October 2010		16 June 2011	
No of Options Granted	967,500		200,000		130,000	
Exercise Per Option (Rs.)	Exercise price of 667,500 options was revised from Rs. 57.30/- to Rs.10 vide Compensation Committee approval dated 25 February 2010		10		10	
Method of Settlement	Equity		Equity		Equity	
Vesting Period	Date	Options	Date	Options	Date	Options
	1 April 2010 (1 Year)	387,000	26 October 2011 (1 Year)	80,000	16 June 2012 (1 Year)	52,000
	1 April 2011 (2 Years)	290,250	26 October 2012 (2 Years)	60,000	16 June 2013 (2 Years)	39,000
	1 October 2011 (2 Years 6 months)	290,250	26 October 2013 (3 Years)	60,000	16 June 2014 (3 Years)	39,000
Exercise Period	Three Years		Three Years		Three Years	

This scheme (ESOP 2007) is covered under the approval of the shareholders vide their Extra-Ordinary General Meeting held on 10 January 2008 and further modified through postal ballot resolution, results whereof were declared on 7 May 2010.

The details of activity under the plan are summarized below:

Particulars	**Year ended 31 March 2013**		Year ended 31 March 2012	
	No. of Shares	**Weighted Average Exercise Price (Rs.)**	No. of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	538,500	10.00	712,400	10.00
Grant during the year	-	-	130,000	10.00
Exercised during the year	-	-	164,550	10.00
No of options lapsed during the year	86,150	10	139,300	10.00
Outstanding at the end of the year	452,350	10	538,550	10.00
Exercisable at the end of the year	314,350	10	288,550	10.00
Weighted average remaining contractual life (in years)	2.35	-	1.56	-

Details of exercise price for Stock Options outstanding at the end of the year are:

Year End	**Range of Exercise Price (Rs.)**	**No. of Options Outstanding**	**Weighted average remaining contractual life (in years)**	**Weighted average exercise price (Rs.)**
31 March 2013	10.00	452,200	2.35	10.00
31 March 2012	10.00	538,550	1.56	10.00

Employee Stock Purchase Plan 2010 (ESPP 2010):

During the year 2010-2011, the Company had also introduced an Employee Stock Purchase Plan, 2010 (ESPP 2010) which was approved by shareholders vide postal ballot resolution, results whereof were declared on 7 May 2010. However, there has been no activity under this Scheme till balance sheet date.

C) Share based payment plans of TV 18 Broadcast Limited

GBN Employees Stock Option Plan 2007 ("ESOP 2007")

a. TV 18 Broadcast Limited had established an Employee Stock Option Plan (ESOP 2007) in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 which have been approved by the Board of Directors and the shareholders. A Remuneration/ Compensation Committee comprising independent, non executive members of the Board of Directors administers the ESOPs. All options under the ESOPs are exercisable for equity shares. TV 18 Broadcast Limited had declared stock split of 1 equity share of face value of Rs. 10 each in 5 equity share of Rs. 2 each through postal ballot dated 19 December 2007, the results of which were declared on 25 January 2008. TV 18 Broadcast Limited plans to grant upto 12,500,000 options to eligible employees and directors of TV 18 Broadcast Limited, its subsidiaries and the company. TV 18 Broadcast Limited has increased maximum number of options that can be granted under GBN ESOP 2007 from 8,500,000 to 12,500,000 options at Annual General Meeting held on 9 September 2011.

b. Options which have been granted under ESOP 2007 shall vest with the grantee over the vesting period from the date of grant. The exercise period of the options is a period of two years after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each (for one equity share of Rs 2 each after split) fully paid up on payment of exercise price (as determined by the Remuneration/ Compensation Committee) of share determined with respect to the date of grant.

c. During the previous year the Remuneration/Compensation Committee of the Board of Directors has granted 7,500,000 options of TV 18 Broadcast Limited under GBN Employee Stock Option Plan 2007 to those employees of Telivision Eighteen India Limited who have become employees of TV 18 Broadcast Limited pursuant to the Scheme of Arrangement, under a single plan existing in TV 18 Broadcast Limited.

The vesting period, vesting terms and exercise period for these options are kept as same as in the original scheme and are as follows:

Particulars	**Employee Stock Option Plan 2004**	**Senior Employee Stock Option Plan 2004**	**Long Term Retention Employee Stock Option Plan 2005**
Options granted	49,028	303,790	476,000
Vesting date	Option to vest after one year from the date of grant within such period not exceeding ten years as may be determined by the Remuneration/ Compensation Committee.	Option to vest after one year from the date of grant within such period not exceeding ten years as may be determined by the Remuneration/ Compensation Committee.	After four year from the date of grant of options.
Vesting requirements	Three years of service from the date of grant of option	Two to four years of service from the date of grant of option	Four years of service from the date of grant of option.
Exercise Period	During two years after vesting date.	During a period of two/ three years from the vesting date.	During two years after vesting date.
Particulars	**Stock Option Plan 2005**	**Stock Option Plan 2007**	**Stock Option Plan 2007 (New)**
Options granted	10,472	36,737	1,335,180
Vesting date	Option to vest after one year from the date of grant within such period not exceeding ten years as may be determined by the Remuneration/ Compensation Committee.	Option to vest after one year from the date of grant within such period not exceeding ten years as may be determined by the Remuneration/ Compensation Committee.	After a minimum period of one year from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Remuneration/ Compensation Committee.
Vesting requirements	Three years of service from the date of grant of option.	One to four years of service from the date of grant of option.	Option to vest over such period, in such manner and subject to conditions as may be decided by the Remuneration/ Compensation Committee provided the employee continues in service.
Exercise Period	During one year after vesting date.	During four years after vesting date.	Exercise period will commence from the vesting date and extend upto the expiry period of the option as may be decided by the Remuneration/ Compensation Committee.

The Company has granted 7,500,000 options upto 31 March 2013.

d. The movement in the scheme is set out as under:

Particulars		ESOP 2007		ESOP 2007	
		Year ended 31 March 13		Year ended 31 March 12	
		Options	Weighted Average Price	Options	Weighted Average Price
		(Numbers)	(Rupees)	(Numbers)	(Rupees)
a.	Outstanding at the beginning of year*	3,999,979	25.40	2,450,717	68.91
b.	Granted during the year*	7,500,000	26.00	-	-
c.	Granted during the year pursuant to scheme of arrangement	-	-	2,211,207	61.72
d.	Exercised during the year	-	-	320,304	55.00
e.	Forfeited during the year	442,137	24.01	64,217	55.00
f.	Expired during the year	98,635	27.70	277,424	27.48
g.	Outstanding at the end of the year	10,959,207		3,999,979	25.40
h.	Exercisable at the end of the year	2,763,568	31.70	2,178,656	27.19
i.	Number of equity shares of Rs. 2 each fully paid up to be issued on exercise of option	10,959,207	42.69	3,999,979	NA
j.	Weighted average share price at the date of exercise	-	31.70	320,304	90.06
k.	Weighted average remaining contractual life (years)	2.62	NA	2.24	NA

e. The Finance Act 2009 has abolished Fringe Benefit Tax (FBT) on Employees' Stock Option Plan, hence there is no charge in these financial statements.

D) Share Based Payment Plan of Viacom 18

Pursuant to the resolution passed by the Board of Directors on 23 September 2008, Viacom18 had introduced Employee Stock Option Plan 2008 ("the Plan") for employees of Viacom18, as may be decided by the Benefits Committee/Board. The Plan provided that the total number of options granted there under will be 3,700,000. Each option, on exercise, was convertible into one equity share of Viacom18 having face value of Rs. 10. The options had been granted at an exercise price which was equivalent to the prevailing Fair Market Value as on the date of the grant. Accordingly, Viacom18 has not recognised any expense on account of grant of stock options. However, during the year ended 31 March 2012, the Plan was cancelled/annulled and the outstanding options as on 1 April 2011 stood cancelled as approved by the Benefits Committee.

The details of the activity under the Scheme during the year are as follows:

Particulars	**31 March 2013**	31 March 2012
Option outstanding at the beginning of the year	-	2,186,445
Options granted during the year	-	-
Options exercised during the year	-	-
Options lapsed during the year	-	777,785
Options annulled during the year	-	1,408,660
Options outstanding at the year end	-	-

E) Share based payment plans of TV18 HSN Holdings Limited

a. Stock appreciation rights

The Board of Directors, vide written resolution dated 6 August 2012, adopted a Stock Appreciation Rights Scheme named the TV18 HSN Employee Stock Appreciation Rights Scheme, 2012 ('SARs Scheme') that allows TV18 HSN Holdings Limited to grant stock appreciation rights to the eligible employees of TV18 HSN Holdings Limited and its subsidiaries, whether working in India or out of India. The SARs Scheme will be administered by a Compensation Committee of the Board of Directors of TV18 HSN Holdings Limited.

As per the terms of the SARs Scheme, each stock appreciation right may be settled either in cash or by the issue of shares at the sole option of the Compensation Committee.

The Compensation Committee is entitled to determine the vesting schedule for stock appreciation rights as the committee deems fit. Stock appreciation rights that are not exercised within the applicable exercise period will automatically lapse. The stock appreciation rights granted under the SARs Scheme can be exercised within a period of 48 months from vesting date. In case of staggered vesting (as determined by the Compensation Committee), the period of 48 months shall be considered from each vesting date. The stock appreciation rights can be exercised only after a liquidity event (as defined in the SARs Scheme) and in the absence of a liquidity event during the exercise period, stock appreciation rights granted shall automatically lapse.

A description of the SAR Scheme of TV18 HSN Holdings Limited is given below:

Particulars	**TV18 HSN Employee Stock Appreciation Right Scheme 2012**
Exercise price	The exercise price in respect of the options shall be decided by the Compensation Committee
Vesting	250,000 rights on the grant date
conditions	605,000 rights on the expiry of one year from the grant date 685,000 rights on the expiry of two years from the grant date 365,000 rights on the expiry of three years from the grant date 355,000 rights on the expiry of four years from the grant date
Exercise Period	The SARs can be exercised within a period of 48 months from the date of vesting post occurence of liquidity event (i.e. Initial Public Offering).

The number and weighted average exercise price of stock appreciation rights are as follows:

Particulars	**Stock appreciation rights (nos.)**	**Weighted average exercise price (US$)**
Year ended 31 March 2013		
Outstanding as of 1 April 2012	-	-
Granted	2,260,000	0.88
Forfeited	-	-
Excercised	-	-
Outstanding as of 31 March 2013	2,260,000	0.88
Exercisable as of 31 March 2013	-	
Weighted average remaining contractual life (in years)	6.03	

b. Employee stock options

TV18 HSN Holding Limited has implemented an equity-settled employee share based payment arrangement by offering employee stock options to the employees of its subsidiary company in India viz. TV18 Home Shopping Network Limited.

In 2008, TV18 HSN Holding Limited established a share option programme in Cyprus, named the TV18 HSN Holdings Limited Employee Stock Option Plan, 2008 ("ESOP 2008"), which was approved by the shareholders of TV18 HSN Holding Limited vide shareholders resolution dated 7 April 2008. The ESOP 2008 entitles the eligible employees to purchase ordinary shares of TV18 HSN Holding Limited. A description of the share based payment arrangement of TV18 HSN Holding Limited is given below:

Particulars	TV18 HSN Holdings Limited Share Option Plan 2008
Exercise price	The exercise price in respect of the options shall be decided by the Compensation Committee
Vesting conditions	**Options granted till 22 October 2010**: Graded vesting - 25% on the expiry of one year from the grant date, 25% on the expiry of two years from the grant date, 25% on the expiry of three years from the grant date and 25% on the expiry of four years from the grant date. **Options granted after 22 October 2010:** Options will vest on the expiry of one year from the grant date.
Exercise period	The stock options can be exercised within a period of 48 months from the date of vesting.

The number and weighted average exercise price of share options are as follows:

Particulars	Options (nos.)	Weighted average exercise price (US$)
Year ended 31 March 2013		
Outstanding as of 1 April 2012	2,177,000	0.12
Granted	-	-
Forfeited	-	-
Exercised	209,750	0.10
Outstanding as of 31 March 2013	1,967,250	0.12
Exercisable as of 31 March 2013	1,941,750	0.11
Weighted average remaining contractual life (in years)	1.54	
Particulars	**Options (nos.)**	**Weighted average exercise price (US$)**
Year ended 31 March 2012		
Outstanding as of 1 April 2011	2,399,000	0.12
Granted	45,000	0.10
Forfeited	72,500	0.17
Exercised	194,500	0.10
Outstanding as of 31 March 2012	2,177,000	0.12
Exercisable as of 31 March 2012	1,936,500	0.12
Weighted average remaining contractual life (in years)	1.17	

The weighted average equity value of the Company close to the date of options exercised during the year ended 31 March 2013 and 31 March 2012 was US$ 1.76 and US$ 2.33 respectively.

F) Employee share based payment plans of Web 18 Holdings Limited

The employees of Web 18 Holdings Limited and its subsidiaries were granted options, which have fully vested under the ESOP Plan of Web 18 Holdings Limited. Each option entitles the grantee to one Class B ordinary share of USD 0.00374 each at an exercise price of USD 1 each. These options become exercisable by the grantee in four equal installments as follows:

i) 25% of the vested options on 15 April 2009
ii) 25% of the vested options on 15 April 2010
iii) 25% of the vested options on 15 April 2011
iv) Balance 25% of the vested options on 15 April 2012.

Details of the options and weighted average prices:

Particulars	Year ended 31 March 2013			Year ended 31 March 2012		
	Option	Weighted average exercise price	Weighted average remaining contractual life	Options	Weighted average exercise price	Weighted average remaining contractual life
		(USD)	(Years)		(USD)	(Years)
a) Outstanding at the beginning of the year	-	-	-	9,424,118	1.00	1.04
b) Granted during the year	-	-	-	-	-	-
c) Forfeited /Cancelled during the year	-	-	-	9,424,118	1.00	-
d) Exercised during the year	-	-	-	-	-	-
e) Outstanding at the end of the year	-	-	-	-	-	-
f) Exercisable at the end of the year	-	-	-	-	-	-

During the previous year all options were cancelled by Web18 Holdings Limited.

Pro Forma Accounting for Stock Options Grants

The Group has adopted the intrinsic value method as promoted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India for measuring the cost of the options granted.

Had the Group used the fair value method in accordance with Black Scholes Model to determine employee stock compensation, its loss after tax and loss per share as reported would have changed to the amounts indicated below:

		Year ended 31 March 2013 Rs.	Year ended 31 March 2012 Rs.
a.	**Loss after tax as reported**	**(1,054,556,083)**	(3,926,636,328)
i.	Add: Stock based employee compensation expense debited to statement of Profit and Loss	**12,844,005**	21,250,425
ii.	Less: Stock based employee compensation expense based on fair value	**28,563,606**	34,260,192
b.	Difference between (i) and (ii)	**15,719,601**	(13,009,767)
c.	Adjusted Proforma loss	**1,070,275,682**	(3,939,646,095)
d.	Difference between (a) and (c)	**15,719,601**	(13,009,767)
e.	Basic loss per share as reported	**(1.85)**	(26.82)
f.	Proforma basic loss per share	**(1.87)**	(26.91)
g.	Diluted loss per share as reported	**(1.85)**	(26.82)
h.	Proforma dilued loss per share as reported	**(1.87)**	(26.91)

The following principal assumptions were used in the valuation:

Black Scholes Model has been used for computing the weighted average fair value considering the following inputs:

For the year ended 31 March 2013 *(previous year figures are in brackets)*

	Network18 Media & Investments Limited	Infomedia Press Limited		TV18 Broadcast Limited	TV18 HSN Holdings Limited	
		ESOP 2004	ESOP 2007		ESOP	SAR
Dividend yield	- *(0.00%)*	- *(1.2%)*	- *(1.2%)*	0% *0%*	0% *0%*	0% *(-)*
Expected volatility	- *(39.93 %)*	- *(68.85 %)*	- *(61.80-66.20 %)*	33.43% *(33.43%)*	53.28-59.81% *(57.93%)*	59.01-74.97% *(-)*
Risk-free interest rate	- *(8.26%)*	- *(8.46%)*	- *(8.47-8.51%)*	7.85% *(7.85%)*	0.62-1.34% *(1.97%)*	1.61-2.53% *(-)*
Weighted average share price (Rs. unless otherwise specified)	- *(109.35)*	- *(-)*	- *(19)*	- *(-)*	$1.76 *($1.95)*	$2.13-2.20 *(-)*
Weighted average exercise price (Rs. unless otherwise specified)	- *(113.44)*	- *(10)*	- *(10)*	(-) (-)	$0.13-1.37 *($0.10)*	$0.09-0.10 (-)
Expected life of options granted (in years)	- *(1.32)*	- *(0.32)*	- *(0.5 to 2.61)*	2.80 *(2.80)*	4.41-8 *(5)*	5-8 (-)

In respect of the companies whose shares are publically traded, the volatility of the options is based on the historical volatility of the share price.

In respect of other companies, the expected volatility has been determined by reference to the average volatility for the comparable companies for the corresponding option term.

39. Disclosures as required by Accounting Standard 15

(i) Defined benefit plan

The following table sets out the funded / unfunded status of the defined benefits plans and the amount recognised in the financial statements:

Changes in defined benefit obligation:

Particulars	Gratuity	
	Year ended 31 March 2013	**Year ended 31 March 2012**
Opening balance	229,330,527	187,560,000
Present value of obligation at the beginning of the period pertaining to liability received on acquisition of IndiaCast / In previous year pertaining to liability received under Scheme from TV18 Broadcast Limited	1,577,189	-
Adjustment on sale of subsidiary	(5,290,587)	-
Liability on transfer of employee	472,718	-
Current service cost	40,589,582	36,519,119
Interest cost	15,899,164	16,194,763
Actuarial loss/ (gain)	15,967,496	(126,116)
Benefits paid	(63,927,899)	(10,817,239)
Closing balance	**234,618,190**	229,330,527

Change in plan assets:

Particulars	**Gratuity**	
	Year ended 31 March 2013	Year ended 31 March 2012
Opening balance	**53,741,363**	60,500,000
Fair value of plan assets at the beginning of the year (pertaining to liability received under Scheme, from TV18)	**12,080,594**	-
Fair value of plan assets from acquisition of new business	**(71,091)**	-
Expected return on plan assets	**8,521,873**	5,038,250
Employer's contributions	**(667,519)**	11,492,529
Benefits paid	**(23,023,182)**	(8,730,780)
Actuarial loss	**3,546,035**	(2,478,042)
Closing balance	**54,128,073**	65,821,957

Net liability/asset:

Particulars	**Gratuity**	
	Year ended 31 March 2013	Year ended 31 March 2012
Present value of obligation at the year end	**234,618,190**	229,330,527
Fair value of plan assets at the year end	**54,128,073**	(65,821,957)
Net liability	**180,490,117**	163,508,570
Net asset	**14,140,223**	-

Cost for the year:

Particulars	**Gratuity**	
	Year ended 31 March 2013	Year ended 31 March 2012
Current service cost	40,589,582	36,519,119
Interest cost	15,899,164	16,194,763
Actuarial loss	12,421,461	(2,351,926)
Expected return on plan assets	(8,521,873)	(5,038,250)
Net cost	60,388,334	45,323,706

Actuarial assumptions used:

Particulars	**Gratuity**			
	Year ended 31 March 2013		Year ended 31 March 2012	
Discount rate	8% - 8.5%		8%-8.5%	
Expected salary escalation rate	5.5% - 6%		6%	
Mortality table	LIC(1994-96) duly Modified		LIC(1994-96) duly Modified	
Retirement Age	60 Yrs		60 Yrs	
Withdrawal Rates	**Age**	**Percentage**	**Age**	**Percentage**
	Upto 30 Year	3	Upto 30 Year	3
	Upto 44 Year	2	Upto 44 Year	2
	Above 44 year	1	Above 44 year	1

Notes:

1. The discount rate is based on the prevailing market yield of Indian Government Securities as at the balance sheet date for the estimated term of obligations.

2. The expected return is based on the expectation of the average long term rate of return on investments of the fund during the estimated term of the obligations.
3. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
4. Plan assets of the Group mainly comprise funds managed by the insurer i.e. ING Vysya Life Insurance Group Limited and Life insurance Corporation of India.

(ii) Defined contribution plan

The Group has contributed Rs. 193,828,294 (previous year Rs. 172,657,224) to Provident Fund and the same is recognised as an expense in the Statement of Profit and Loss.

(iii) Other long term employee benefits

The Company, along with its subsidiary company, TV18 Broadcast Limited, has jointly established an Employee Welfare Plan dated 2 February 2009 for the benefit of their existing and future employees and to administer the same, a Trust named Network18 Group Senior Professional Welfare Trust has been constituted under the Indian Trusts Act, 1881 vide Trust Deed dated 19 February 2009.

The Employee Welfare Plan provides that any accretion to the corpus of the Trust (like dividends, profit on sale of investments, interest income, etc.) will be utilized for the benefit of beneficiaries upon occurrence of certain specific events. It further provides that the amount of benefit to be provided out of such accretion will be at the discretion of the trustees.

During the year ended 31 March 2013 and 31 March 2012, there were no net accretions to the corpus of the aforementioned Trust and accordingly no liability or plan assets have been provided/recognized in these consolidated financial statements.

40. Leases

Operating leases (as lessee)

i. The Group has taken various of ce premises under operating lease agreements. These are generally non cancellable and are renewable by mutual consent on mutually agreed terms.

ii. Lease payments for the year in respect of non-cancellable operating leases: Rs. 672,763,369 (previous year Rs. 613,914,130)

iii. The future minimum lease payments under non-cancelable operating leases are:

Particulars	As at 31 March 2013	As at 31 March 2012
Not later than one year	**652,771,688**	605,808,741
Later than one year but not later than five years	**1,625,004,567**	1,306,336,641
Later than five years	**832,073,913**	1,085,620,780

Finance leases (as lessee)

The Group has entered into finance lease arrangements for certain equipments which provide the Group an option to purchase the assets at the end of the lease period. Minimum lease payments amounting to Rs. 3,869,805 (Previous year Rs. 824,973) have been made during the year. The details of future minimum lease payments under finance leases are as under:

Particulars	As at 31 March 2013	As at 31 March 2012
Not later than one year	**3,734,517**	3,869,805
Later than one year but not later than five years	**6,277,838**	11,618,473
More than five years	**-**	-

Present value of minimum lease payments

Particulars	As at 31 March 2013	As at 31 March 2012
Not later than one year	2,567,496	2,263,687
Later than one year but not later than five years	5,885,358	8,452,854

41. Segmental reporting:

	Year ended 31 March 2013					Year ended 31 March 2012				
	Media operations	**Film Production and Distribution**	**Others**	**Unallocable**	**Total**	Media operations	Film Production and Distribution	Others	Unallocable	Total
Revenue										
Income from operations	**2,2018,424,617**	**1,734,321,969**	**432,152,317**	-	**24,184,898,903**	17,162,197,343	1,958,118,577	348,145,000	-	19,468,460,920
Inter segment Revenue	-	-	-	-	**(176,127,935)**	-	-	-	-	(30,134,216)
Total revenue	**2,2018,424,617**	**1,734,321,969**	**432,152,317**	-	**24,008,770,968**	**17,162,197,343**	**1,958,118,577**	**348,145,000**	-	**19,438,326,704**
Segment results	**(1,510,934,870)**	**(4,207,977)**	**(242,261,261)**	-	**(175,740,108)**	**(3,324,377,575)**	**(29,100,907)**	**(596,819)**	-	**(3,354,075,301)**
Add: Unallocated income (net of prior period items of Rs. 13,727,917)	-	-	-	2,501,989,397	2,501,989,397	-	-	-	1,327,634,449	1,327,634,449
Less: Unallocated expenses	-	-	-	1,041,101,515	1,041,101,515	-	-	-	241,263,253	241,263,253
Less: Finance cost	-	-	-	2,719,771,099	2,719,771,099	-	-	-	2,706,662,142	2,706,662,142
Add: Exceptional items				1,647,438,462	1,647,438,462					
(Loss)/ profit before tax	**(1,510,934,870)**	**(4,207,977)**	**(242,261,261)**	**388,555,245**	**(1,368,848,863)**	**(3,324,377,575)**	**(29,100,907)**	**(596,819)**	**(1,620,290,946)**	**(4,974,366,247)**
Tax expense	-	-	-	141,888,171	141,888,171	-	-	-	72,423,347	72,423,347
(Loss)/ profit after tax and before minority interest and share in profit of associates	**(1,510,934,870)**	**(4,207,977)**	**(242,261,261)**	**246,667,074**	**(1,510,737,034)**	**(3,324,377,575)**	**(29,100,907)**	**(596,819)**	**(1,692,714,292)**	**(5,046,789,594)**
Segment assets	**28,536,600,185**	**2,754,652,028**	**176,335,992**	-	**31,467,588,205**	**23,337,900,442**	**3,463,628,082**	**237,600,170**	-	**27,039,128,694**
Unallocated assets	-	-	-	33,571,174,236	33,571,174,236	-	-	-	11,661,489,622	11,661,489,622
Total assets	**28,536,600,185**	**2,754,652,028**	**176,335,992**	**33,571,174,236**	**65,038,762,441**	**23,337,900,442**	**3,463,628,082**	**237,600,170**	**11,661,489,622**	**38,700,618,316**
Segment liabilities	**10,552,668,884**	**344,200,333**	**272,724,342**	-	**11,169,593,559**	**6,113,001,101**	**467,598,625**	**91,240,599**	-	**6,671,840,325**
Unallocated liabilities	-	-	-	9,105,077,678	9,105,077,678	-	-	-	25,123,390,689	25,123,390,689
Total liabilities	**10,552,668,884**	**344,200,333**	**272,724,342**	**9,105,077,678**	**20,274,671,237**	**6,113,001,101**	**467,598,625**	**91,240,599**	**25,123,390,689**	**31,795,231,014**
Capital expenditure	**698,735,136**	-	-	-	698,735,136	312,566,650	547,191,791	2,406,110	-	862,164,551
Depreciation and amortization	**709,347,782**	-	**4,920,965**	-	714,268,747	273,279,405	335,294,522	5,100,866	-	613,674,794
Non-cash expenditure other than depreciation and amortization	**349,242,593**	-	**19,722,500**	-	368,965,093	135,629,709	461,412,649	46,797	-	597,089,155

42. Related party disclosures

A. List of related parties (other than direct/ indirect subsidiaries of the company)

i. Joint ventures

- IBN Lokmat News Private Limited
- Viacom 18 Media Private Limited
- Ubona Technologies Private Limited
- Reed Infomedia India Private Limited
- The Indian Film Company Limited, Guernsey
- The Indian Film Company (Cyprus) Limited
- IFC Distribution Private Limited (merged with Viacom18 Media Private Limited w.e.f. 1 January 2012)
- Viacom18 Media (UK) Limited
- Viacom18 Media US Inc
- Roptonal Limited

ii. Associates

- 24X7 Learning Private Limited
- Wespro Digital Private Limited

iii. Key Management Personnel (KMP)

- Raghav Bahl (Also exercises control by virtue of having a substantial interest in the voting power of the Company)
- Rajdeep Sardesai
- Sagarika Ghose
- Sanjay Ray Chaudhuri

iv. Relatives of Key Management Personnel (with whom transactions were undertaken during the year or previous year)

- Vandana Malik

v. Enterprises over which KMP is able to exercise significant influence or control (with whom transactions were undertaken during the previous year)

- Adventure Marketing Private Limited
- B.K. Media Mauritius Private Limited
- B.K. Capital Limited
- B.K. Venture Limited
- Colorful Media Private Limited
- Network18 Employee Welfare Trust
- Network18 Group Senior Professional Welfare Trust
- Network18 Publications Limited
- Network18 Shareholders Trust
- RB Holdings Private Limited
- RB Media Holdings Private Limited
- RVT Holdings Private Limited
- VT Softech Private Limited
- Watermark Infratech Private Limited
- Web18 Securities Private Limited

B. Related party transactions and balances *(figures in brackets represents figures for previous year)*

PARTICULARS	Joint Ventures	Associates	Enterprises over which KMP is able to exercise significant influence or control	Key Management Personnel	Relatives of Key Management Personnel
Income from operations and other income					
Viacom18 Media Private Limited	102,066,529 (52,824,545)	- (-)	- (-)	- (-)	- (-)
IBN Lokmat News Private Limited	10,221,483 (10,043,964)	- (-)	- (-)	- (-)	- (-)
Wespro Digital Private Limited	- (-)	2,780,413 (4,422,942)	- (-)	- (-)	- (-)
Network18 Publications Limited	- (1,116,668)	- (-)	2,514,981 (-)	- (-)	- (-)
Others	- (125,000)	- (-)	- (-)	- (-)	- (-)
Interest income					
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	- (135,555,635)	- (-)	- (-)
Wespro Digital Private Limited	- (-)	2,574,000 (-)	- (-)	- (-)	- (-)
BK Capital Limited	- (-)	- (-)	997,790 (-)	- (-)	- (-)
BK Ventures Limited	- (-)	- (-)	997,790 (-)	- (-)	- (-)
Expenditure for services received					
Viacom18 Media Private Limited	311,950,660 (12,624,646)	- (-)	- (-)	- (-)	- (-)
IBN Lokmat News Private Limited	7,115,507 (-)	(-)	(-)	(-)	(-)
Network18 Publications Limited	- (-)	- (-)	3,499,568 (-)	- (-)	- (-)
Raghav Bahl	- (-)	- (-)	- (-)	10,944,000 (10,944,000)	- (-)
Rajdeep Sardesai	- (-)	- (-)	- (-)	- (18,028,500)	- (-)
Sagarika Ghose	- (-)	- (-)	- (-)	- (2,233,614)	- (-)
Vandana Malik	- (-)	- (-)	- (-)	- (-)	7,200,000 (7,200,000)
IBN Lokmat News Private Limited	- (1,085,056)	- (-)	- (-)	- (-)	- (-)

PARTICULARS	Joint Ventures	Associates	Enterprises over which KMP is able to exercise significant influence or control	Key Management Personnel	Relatives of Key Management Personnel
Ubona Technologies Private Limited	- (558,334)	- (-)	- (-)	- (-)	- (-)
Network 18 Publications Limited	- (-)	- (-)	- (4,937,430)	- (-)	- (-)
Interest expense					
RB Media Holdings Private Limited	- (-)	- (-)	26,575,336 (39,863,002)	- (-)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	26,575,336 (39,863,002)	- (-)	- (-)
Colorful Media Private Limited	- (-)	- (-)	26,575,336 (39,863,002)	- (-)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	26,575,336 (39,863,002)	- (-)	- (-)
RB Holdings Private Limited	- (-)	- (-)	53,150,680 (79,726,019)	- (-)	- (-)
Reimbursement of expenses (received)					
Wespro Digital Private Limited	- (-)	1,246,611 (-)	- (-)	- (-)	- (-)
IBN Lokmat News Private Limited	52,584,414 (63,207,918)	- (-)	- (-)	- (-)	- (-)
Viacom18 Media Private Limited	85,020,563 (26,681,886)	- (-)	- (-)	- (-)	- (-)
Indian International Advisors Private Limited	- (-)	- (-)	- (4,057,363)	- (-)	- (-)
Reimbursement of expenses (paid)					
IBN Lokmat News Private Limited	5,089,870 (528,445)	- (-)	- (-)	- (-)	- (-)
Viacom18 Media Private Limited	11,831,231 (7,447,669)	- (-)	- (-)	- (-)	- (-)
Loans/advances given during the year					
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	64,624,211 (5,551,900,000)	- (-)	- (-)
Rajdeep Sardesai	- (-)	- (-)	- (-)	- (50,000,000)	- (-)

PARTICULARS	Joint Ventures	Associates	Enterprises over which KMP is able to exercise significant influence or control	Key Manage-ment Personnel	Relatives of Key Management Personnel
Others	- (-)	- (-)	- (-)	- (-)	- (-)
Loans/advances received back during the year					
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	204,100,000 (1,605,600,000)	- (-)	- (-)
Issue of Secured Optionally Fully Convertible Debentures					
RB Media Holdings Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
Colorful Media Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
RB Holdings Private Limited	- (-)	- (-)	- (999,999,905)	- (-)	- (-)
Repayment of Secured Optionally Fully Convertible Debentures					
RB Media Holdings Private Limited	- (-)	- (-)	499,999,872 (-)	- (-)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	499,999,872 (-)	- (-)	- (-)
Colorful Media Private Limited	- (-)	- (-)	499,999,872 (-)	- (-)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	499,999,872 (-)	- (-)	- (-)
RB Holdings Private Limited	- (-)	- (-)	999,999,905 (-)	- (-)	- (-)
Collection on behalf of					
Wespro Digital Private Limited	- (-)	16,932,796 (-)	- (-)	- (-)	- (-)
Balances outstanding at the year end					
Amount due from (Trade receivables)					
Viacom18 Media Private Limited	7,443,868 (64,391,236)	- (-)	- (-)	- (-)	- (-)
IBN Lokmat News Private Limited	22,320,050 (18,814,703)	- (-)	- (-)	- (-)	- (-)

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

PARTICULARS	Joint Ventures	Associates	Enterprises over which KMP is able to exercise significant influence or control	Key Management Personnel	Relatives of Key Management Personnel
Network18 Employee Welfare Trust	- (-)	- (-)	700,000 (700,000)	- (-)	- (-)
Network18 Publications Private Limited	- (-)	- (-)	15,504,700 (39,680,681)	- (-)	- (-)
RVT Holdings Private Limited	- -	- (-)	2,816,613 (2,816,613)	- (-)	- (-)
Loans/advances receivable at the year end					
Network18 Group Senior Professional Welfare Trust	- (-)	- (-)	5,557,350,285 (5,747,450,285)	- (-)	- (-)
VT Softech Private Limited	- (-)	- (-)	7,010,397 (7,010,397)	- (-)	- (-)
Web18 Securities Private Limited	- (-)	- (-)	21,072,000 (-)	- (-)	- (-)
Viacom18 Media Private Limited	17,806,098 (-)	- (-)	- (-)	- (-)	- (-)
Wespro Digital Private Limited	- (-)	29,883,474 (-)	- (-)	- (-)	- (-)
Network18 Publications Limited	- (-)	- (-)	27,797,486 (-)	- (-)	- (-)
IBN Lokmat News Private Limited	3,097,094 (-)	- (-)	- (-)	- (-)	- (-)
Others	- (-)	- (-)	4,509 (-)	- (-)	- (-)
Amounts due to					
RB Media Holdings Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
Colorful Media Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	- (499,999,872)	- (-)	- (-)
RB Holdings Private Limited	- (-)	- (-)	- (999,999,905)	- (-)	- (-)
Ubona Technologies Private Limited	- (165,450)	- (-)	- (-)	- (-)	- (-)
B.K. Media Mauritius Private Limited	- (-)	- (-)	40,982,566 (15,000,000)	- (-)	- (-)

PARTICULARS	Joint Ventures	Associates	Enterprises over which KMP is able to exercise significant influence or control	Key Management Personnel	Relatives of Key Management Personnel
Viacom18 Media Private Limited	321,690,754 (11,729,191)	- (-)	- (-)	- (-)	- (-)
IBN Lokmat News Private Limited	2,471,666 (1,029,709)	- (-)	- (-)	- (-)	- (-)
Wespro Digital Private Limited	4,976,628 (-)	- (-)	- (-)	- (-)	- (-)
BK Capital Limited	- (-)	- (-)	36,393,926 (-)	- (-)	- (-)
BK Ventures Limited	- (-)	- (-)	36,393,926 (-)	- (-)	- (-)
Raghav Bahl	- (-)	- (-)	- (-)	- (238,500)	- (-)
Roptonal Limited	1,340,471,410 (1,332,141,415)	- (-)	- (-)	- (-)	- (-)
Others	- (-)	- (-)	456,750 (718,296)	- (-)	- (-)
Interest due to					
RB Media Holdings Private Limited	- (-)	- (-)	- (22,561,508)	- (-)	- (-)
Watermark Infratech Private Limited	- (-)	- (-)	- (22,561,508)	- (-)	- (-)
Colorful Media Private Limited	- (-)	- (-)	- (22,561,508)	- (-)	- (-)
Adventure Marketing Private Limited	- (-)	- (-)	- (22,561,508)	- (-)	- (-)
RB Holdings Private Limited	- (-)	- (-)	- (45,123,283)	- (-)	- (-)
Corporate guarantees at the year end to secure the debts of					
IBN Lokmat News Private Limited	249,000,000 (249,000,000)	- (-)	- (-)	- (-)	- (-)
Investments at year end					
IBN Lokmat News Private Limited	25,000,000 (25,000,000)	- (-)	- (-)	- (-)	- (-)

43. Details of foreign currency exposures that are not hedged by derivative instruments in entities where the reporting currency is INR - *(figures in brackets represents figures for previous year)*

Currency	Payable	Rupee equivalent (Rs.)	Receivable	Rupee equivalent (Rs.)	Loans & Advances	Rupee equivalent
USD	4,428,942 (7,323,762)	240,884,738 (374,683,169)	4,715,366 (7,680,915)	256,369,549 (392,779,517)	345,952 (-)	15,080,519 (-)
GBP	31,905 (31,578)	2,626,477 (2,583,114)	119,847 (310,866)	9,871,952 (25,428,816)	10,557 (-)	869,069 (-)
EURO	15,664 (84,260)	1,104,977 (5,758,294)	32,143 (10,735)	2,247,613 (733,661)	49,725 (-)	3,237,553 (-)
AUD	2,413 (2,413)	135,383 (129,912)	67,080 (24,335)	3,764,530 (1,245,899)	- (-)	- (-)
SGD	13,853 (1,327)	606,938 (54,743)	59,652 (45,670)	2,613,350 (1,880,364)	48,811 (-)	2,144,081 (-)
CAD	- (-)	- (-)	28,725 (1,225)	1,518,404 (63,688)	- (-)	- (-)
AED	- (-)	- (-)	- (-)	- (-)	34,823 (-)	513,701 (-)

44. Interests in Joint Ventures

The Group's interests in joint ventures is as follows:

Name of the entity	Country of incorporation	Group share
IBN Lokmat News Private Limited	India	50%
Ubona Technologies Private Limited	India	50%
Viacom 18 Media Private Limited	India	50%
Reed Infomedia India Private Limited	India	50%

The financial statements of the jointly controlled entities have been incorporated into the consolidated financial statements using the proportionate consolidation method. The aggregate amounts relating to those joint ventures are as follows:

Particulars	**31 March 2013**	31 March 2012
Current assets	**6,536,993,523**	5,012,182,161
Non- current assets	**2,899,954,236**	4,089,190,004
Total assets	**9,436,947,759**	**9,101,372,165**
Current liabilities	**4,658,051,902**	3,884,009,795
Non- current liabilities	**954,234,841**	1,013,316,855
Total liabilities	**5,612,286,743**	**4,897,326,650**
Revenue	**8,091,864,792**	8,047,764,909
Expenses	**8,213,161,070**	9,054,036,310
Profit /(loss) before exceptional items and tax	**(121,296,278)**	**(1,006,271,401)**
Exceptional items	**-**	393,300,000
Profit/(loss) before tax	**(121,296,278)**	**(612,971,401)**
Income tax expenses	**113,273,989**	29,093,789
Profit/(loss) after tax	**(234,570,267)**	**(642,065,190)**

45. Utilisation of rights issue proceeds

A. In relation to the Company

(a) Rights issue - I

i. The Board of Directors, at their meeting held on 3 January 2012 decided to raise Rs. 27,000,000,000 by issuing shares on rights basis for, inter alia (a) Investment in subsidiary, TV18 Broadcast Limited (b) Repayment/prepayment of certain loans, redemption of Secured Optionally Fully Convertible Debentures, redemption of Preference shares and repayment of public deposits and (c) General corporate purposes. Pursuant to the approval by the Securities and Exchange Board of India (SEBI) for the Rights Issue, the Issue was opened on 18 September 2012 and closed on 4 October 2012. The Issue was fully subscribed. The Company has allotted 899,873,930 equity shares on 12 October 2012 at a price of Rs. 30 per share (face value of Rs. 5 and securities premium of Rs. 25) and the new shares started trading from 16 October 2012 in the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The status for the utilisation of total proceeds of Rs. 26,996,217,900 from the Rights Issue of the Company is set out below:

Objects of the Issue	Proposed utilization	Actual Utilisation
Repayment of loans	11,122,700,000	8,805,401,393
Investment in Subsidiary	13,840,000,000	13,830,168,280
General corporate purposes	1,287,300,000	1,287,300,000
Rights issue expenses	746,217,900	499,648,603
Total	**26,996,217,900**	**24,422,518,276**

The balance funds are temporarily invested in Mutual Funds / fixed deposits with banks.

(b) Rights issue - II

The Company had raised Rs. 2,038,990,000 through allotment of 10,296,451 partly paid preference shares on rights basis to its equity shareholders during the year ended 31 March 2009. The amount has been fully utilized for the objects for which it was raised as per details below:

Objects of the Issue	Proposed utilisation	Actual utilization
Repayment of loans availed by the Company	608,800,000	608,800,000
Funding working capital	692,800,000	692,800,000
Capital expenditure for the audio and video content business	100,000,000	100,000,000
Investments in media and allied sectors	350,000,000	350,000,000
General corporate purposes	287,390,000	287,390,000
Total	**2,038,990,000**	**2,038,990,000**

B. In relation to TV18 Broadcast Limited

(a) Rights issue - I

TV18 Broadcast Limited had allotted 54,495,443 partly paid shares on rights basis to its equity shareholders during the year ended 31 March 2011. Out of this 54,446,407 shares were converted into fully paid up shares till 31 March 2013 upon receipt of full and final call money and balance 49,036 shares have been forfeited in the Board Meeting dated 19 January 2012 for non-payment of full and final call money amounting to Rs. 3,064,750. The status of utilization of rights issue proceeds is set out below:

(Amount in Rupees)

Objects of the issue	Proposed utilization	Actual utilization
Repay certain loans	2,150,000,000	2,150,000,000
Investment in Viacom18 *	1,500,000,000	1,500,000,000
Investment in IBN Lokmat Private Limited	250,000,000	250,450,000
General corporate purposes	995,324,000	995,324,000
Rights issue expenses#	200,000,000	196,935,250
Total	**5,095,324,000**	**5,092,259,250**

*Surplus available after actual expenses incurred including provisions on right issue have been utilized towards investment in Viacom18 Media Private Limited.

The difference between proposed and actual utilisation of Rs. 3,064,750 is on account of payment of full and final call money on 49,036 shares.

The right issue proceeds have been fully utilized for the objects of the issue.

(b) Rights issue II

Pursuant to the approval from SEBI, the subscription to the current Rights Issue of TV18 Broadcast Limited opened on 25 September 2012 and closed on 15 October 2012. This Rights Issue was for acquisition of ETV channels, repayment of certain loans and general corporate purposes. The Rights Issue subscribed to the extent of 130.08% (net of rejections) of the issue size in terms of number of shares. On 23 October 2012 Capital Issues Committee of the Board of Directors of TV18 Broadcast Limited allotted 1,349,577,882 equity shares of Rs. 2 each at a premium of Rs. 18 each aggregating to Rs. 26,991,557,640. TV18 Broadcast Limited has received listing and trading approval for the aforesaid shares from National Stock Exchange of India Ltd and BSE Ltd. The status of utilization of rights issue proceeds is set out below:

(Amount in Rupees)

Objects of the issue	**Proposed utilization**	**Actual utilization**
ETV Acquisition *	19,250,000,000	19,250,000,000
Repayment/Pre-payment, in full or in part, of certain loans availed by us and repayment of Public Deposits	4,216,000,000	4,216,000,000
General corporate purposes	2,784,000,000	2,784,000,000
Rights issue expenses **	741,557,640	741,557,640
Total	**26,991,557,640**	**26,991,557,640**

*The Company paid Rs. 19,500,000,000 to Arima Trading Private Limited for acquisition of 100% stake of Equator Trading Private Limited (Promoters of ETV). However, the shares are not yet transferred due to pending legal compliances which are under process. Therefore, the financial statements of Equator Trading Private Limited are not consolidated in these financial statements.

** Surplus of Rs 32,308,000 available after actual expenses incurred (including provisions) on rights issue have been utilized towards repayment of Public Deposits.

46. Barter transactions

During the year ended 31 March 2013, the Group had entered into barter transactions, which were recorded at the fair value of consideration receivable or payable. The statement of profit and loss for the year 31 March 2013 reflects revenue from barter transactions of Rs. 202,654,284 (previous year Rs 192,347,188) and expenditure of Rs. 207,822,419 (previous year Rs 196,972,125) being the fair value of barter transactions provided and received.

47. Managerial remuneration paid upto 31 March 2013, by the Company amounting to Rs. 26,388,400 (upto 31 March 2012: Rs. 20,100,400) and by one of its subsidiaries amounting to Rs. 16,711,996 is in excess of the limits prescribed under the Act. The Company and its subsidiary are in the process of obtaining the necessary approvals as per the Act.

48. During the year ended 31 March 2012, the Company exercised the option granted by notification G.S.R. 914(E) dated 29 December 2011 issued by the Ministry of Corporate Affairs. Accordingly, the exchange differences arising on revaluation of long term foreign currency monetary items, other than for acquisition of fixed assets, is being amortised over the maturity period of such monetary items. The unamortised balance in Foreign Currency Monetary Item Translation Difference account as on 31 March 2013 is a debit of Rs. 38,051,466.

49. The board of directors of the Company in their meeting held on 21 February 2013 has passed a resolution and the Company has decided to divest its undertaking comprising of premier local search businesses – Infomedia Yellow Pages and AskMe. As per the Business transfer agreement dated 27 February 2013 the Yellow Pages and AskMe business of the Company has been transferred to Getit Infoservices Private Limited. The management of Infomedia Press Limited is evaluating various options, including sale of assets of Printing Press and starting a new line of business in the Company. The Company has given VRS to majority of permanent employees and in the process of offering VRS to the remaining employees. In view of this printing operations have been considered as discontinuing operations.The Company has also divested its entire stake in Newswire18 Limited, a subsidiary company on 27 December 2012. The following statement shows the revenue, expenses, assets and liabilities of continuing and discontinuing operations.

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2013

Particulars	Continuing operations		Discontinuing operations		Transactions between the continuing and discontinuing operations		Total	
	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2013	Year ended 31 March 2012
Revenue								
Revenue from operations	22,746,029,752	18,592,641,301	1,263,343,033	1,286,742,571	182,430,145	160,150,840	23,826,942,640	19,719,233,032
Other income	1,029,139,724	1,323,482,383	22,748,705	8,304,702	1,781,904	4,152,636	1,050,106,525	1,327,634,449
Revenue	**23,775,169,476**	**19,916,123,684**	**1,286,091,738**	**1,295,047,273**	**184,212,049**	**164,303,476**	**24,877,049,165**	**21,046,867,481**
Expenses								
Cost of material consumed	87,269,958	6,326,993	214,290,028	171,774,074	-	-	301,559,986	178,101,067
Employee benefits expense	4,300,061,150	3,957,103,484	513,214,167	569,491,936	-	-	4,813,275,317	4,526,595,420
Other operating expenses	18,819,018,345	17,342,707,748	694,145,225	679,447,847	182,430,145	160,150,840	19,330,733,425	17,862,004,755
Depreciation and amortization expense	684,253,481	572,848,049	30,015,266	40,826,745	-	-	714,268,747	613,674,794
Finance costs	2,713,392,464	2,698,398,726	8,160,539	12,416,052	1,781,904	4,152,636	2,719,771,099	2,706,662,142
Prior period expenses /(income)	8,237,462	1,595,495	5,490,455	132,600,055	-	-	13,727,917	134,195,551
Expenses	**26,612,232,860**	**24,578,980,495**	**1,465,315,679**	**1,606,556,709**	**184,212,049**	**164,303,476**	**27,893,336,490**	**26,021,233,728**
Loss before exceptional items and tax	(2,837,063,384)	(4,662,856,811)	(179,223,941)	(311,576,175)	-	-	(3,016,287,324)	(4,974,366,248)
Exceptional items		-		-	-	-		
Gain on disposal of investment in subsidiaries	648,533,415		644,610,948	-	-	-	1,293,144,363	-
Gain on disposal of business			504,807,605	-	-	-	504,807,605	-
Less: Loss relating to impairment of goodwill	(49,676,690)		-	-	-	-	(49,676,690)	-
Less: Amount paid under voluntray retirement scheme			(100,836,817)	-	-	-	(100,836,816)	-
Loss before tax	**(2,238,206,659)**	**(4,662,856,811)**	**869,357,796**	**(311,509,436)**	**-**	**-**	**(1,368,848,863)**	**(4,974,366,247)**
Tax expense								
Current tax	30,376,254	50,799,888	-	-	-		30,376,253	50,799,888
Deferred tax	111,511,917	34,479,357	-	-	-	-	111,511,917	34,479,357
Deferred tax earlier year	-	-	-	(12,855,898)	-	-	-	(12,855,898)
Loss for the year	(2,380,094,830)	(4,748,136,056)	869,357,796	(298,653,538)	-	-	(1,510,737,034)	(5,046,789,594)
Assets	64,912,490,345	38,456,759,836	169,383,763	665,008,610	43,111,667	421,150,130	65,038,762,441	38,700,618,316
Liabilities	20,090,858,247	31,243,361,822	226,924,657	973,019,322	43,111,667	421,150,130	20,274,671,237	31,795,231,014

50. Figures pertaining to the subsidiaries, associates and joint ventures have been reclassified wherever necessary to bring them in line with the Group's financial statements.

51. Additional statutory information disclosed in the separate financial statements of Network 18 Media & Investments Limited and its subsidiaries having no material bearing on the true and fair view of these consolidated financial statements and the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

52. The Company is in the process of addressing the matters specified in circular no. CIR/CFD/DIL/3/2013 dated 17 January 2013 issued by the Securities and Exchange Board of India ('SEBI') in respect of certain shares held by Network18 Group Senior Professional Welfare Trust.

53. Previous year's figures have been regrouped /reclassified, wherever necessary to conform to the current year's presentation

For and on behalf of Board of Directors of

For **Walker, Chandiok & Co**
Chartered Accountants

per **B. P. Singh**
Partner

Place : Noida
Date : 13 May 2013

Raghav Bahl
Managing Director

Sanjay Ray Chaudhuri
Director

R D S Bawa
Group Chief Financial Of cer

Yug Samrat
Company Secretary

Financial details of subsidiaries for the Financial Year ended March 31, 2013

S. No	Name of Subsidiary Company	Capital	Reserves	Total Assets	Total Liabilities	Invest ments (Except in case of Investment in subsidiares)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation
1	TV 18 Broadcast Limited	3,423,344,024 ***724,188,260***	30,722,318,827 ***7,049,936,019***	38,231,903,729 ***16,684,858,853***	4,086,240,878 ***8,910,734,574***	9,092,794,809 ***9,120,411,057***	5,704,683,186 ***6,873,524,453***	114,581,834 ***121,167,564***	12,348,241 ***28,742,605***	102,233,593 ***92,424,959***
2	RVT Media Private Limited	966,150 ***966,150***	345,231,244 ***345,433,792***	555,399,922 ***346,444,371***	209,202,528 ***44,429***	- ***-***	- ***6,943***	(202,548) ***(34,833)***	- ***-***	(202,548) ***(34,833)***
3	ibn18(Mauritius) Limited, Mauritius	5,075 ***5,075***	(337,986,459) ***(444,092,390)***	2,484,251,007 ***1,257,494,949***	2,822,232,391 ***1,701,582,264***	- ***-***	62,561,784 ***76,539,772***	61,666,113 ***75,841,666***	1,849,985 ***1,549,970***	59,816,128 ***74,291,696***
4	Setpro 18 Distribution Limited	500,000 ***500,000***	(16,335,307) ***(20,438,737)***	153,406,743 ***312,594,342***	169,242,050 ***332,533,079***	- ***-***	360,319,214 ***1,432,118,666***	5,125,416 ***(94,990,625)***	1,021,985 ***(157,973)***	4,103,431 ***(94,832,652)***
5	Network 18 Holding Ltd, Mauritius	67,890,044 ***67,890,044***	881,255,715 ***848,639,535***	3,763,356,448 ***3,703,682,171***	2,814,210,689 ***2,787,152,592***	- ***-***	23,048,052 ***32,004,804***	(137,518,712) ***(28,442,187)***	- ***-***	(137,518,712) ***(28,442,187)***
6	TV18 HSN Holding Ltd,Cyprus	519,695,390 ***595,341,124***	2,223,041,684 ***2,160,948,129***	2,817,929,828 ***2,758,036,009***	75,192,753 ***1,746,756***	- ***-***	27,699 ***192,853***	(35,722,475) ***(86,017,966)***	5,364,389	(41,086,864) ***(86,017,966)***
7	TV18 Home Shoping Network Limited	51,725,810 ***51,725,810***	(1,282,954,266) ***(82,440,475)***	1,825,573,598 ***1,123,768,223***	3,056,802,054 ***1,154,482,888***	- ***-***	2,253,986,950 ***1,189,935,223***	(1,200,513,791) ***(1,072,731,264)***	- ***-***	(1,200,513,791) ***(1,072,731,264)***
8	Television Eighteen Mauritius Limited	568,131,581 ***568,131,581***	(227,685,147) ***(188,295,154)***	652,193,320 ***687,359,594***	311,746,886 ***307,523,169***	233,877,000 ***219,988,000***	3,015,916 ***2,449,686***	(68,644,617) ***(23,760,384)***	(5,110,433) ***-***	(63,534,184) ***(23,760,384)***
9	Television Eighteen Media and Investment Limited	2,014,313,595 ***2,014,313,595***	502,593,751 ***399,213,274***	4,353,690,375 ***4,093,929,146***	1,836,783,029 ***1,680,380,832***	- ***-***	2,024,493 ***1,792,641***	(49,147,153) ***(83,623,849)***	- ***-***	(49,147,153) ***(83,623,849)***
10	News Wire 18 Limited (Till 27-12-12)	- ***34,566,370***	- ***(252,416,332)***	- ***291,987,434***	- ***509,837,396***	- ***-***	373,691,640 ***453,821,121***	71,544,464 ***45,599,683***	- ***-***	71,544,464 ***45,599,683***
11	RRK Finhold Private Limited	100,000 ***100,000***	(21,832,689) ***(21,792,923)***	49,014,437 ***49,015,437***	70,747,126 ***70,708,360***	- ***-***	- ***-***	(39,766) ***(36,380)***	- ***-***	(39,766) ***(36,380)***
12	RVT Finhold Private Limited	100,000 ***100,000***	(46,116,528) ***(43,922,063)***	183,536,721 ***183,282,617***	227,253,249 ***227,104,680***	- ***-***	- ***-***	(2,194,465) ***(45,421)***	- ***-***	(2,194,465) ***(45,421)***
13	greycells18 Media Limited	96,400,610 ***96,400,610***	(110,680,888) ***(98,092,080)***	81,928,446 ***87,154,878***	96,208,724 ***88,846,348***	- ***-***	117,909,322 ***81,005,709***	(12,588,809) ***(61,730,566)***	- ***-***	(12,588,809) ***(61,730,566)***
14	Capital 18 Limited Mauritius	45 ***45***	(760,391,204) ***(686,188,011)***	89,291,779 ***90,393,840***	849,682,938 ***776,581,806***	- ***-***	2,627 ***6,265***	(30,960,023) ***(21,282,082)***	- ***-***	(30,960,023) ***(21,282,082)***
15	Capital 18 Fincap Private Limited	25,580,000 ***25,580,000***	303,158,479 ***324,666,606***	1,369,807,895 ***1,373,847,764***	1,041,069,416 ***1,023,601,158***	2,600,000 ***-***	- ***3,492,374***	(21,508,127) ***3,378,108***	- ***-***	(21,508,127) ***3,378,108***
16	Webchutney Studio Private Limited	3,288,660 ***3,288,660***	106,867,229 ***108,615,939***	164,237,213 ***173,047,899***	54,081,324 ***61,143,300***	- ***-***	159,248,516 ***215,551,585***	5,888,027 ***76,881,173***	7,636,737 ***13,332,292***	(1,748,710) ***63,548,881***
17	Blue Slate Media Private Limited	100,000 ***100,000***	(1,659,003) ***(1,890,770)***	5815153.967 ***4,449,513***	7,374,158 ***6,240,283***	- ***-***	8,961,818 ***8,559,591***	353,993 ***1,470,487***	122,227 ***23,588***	231,766 ***1,446,899***
18	Network Play Media Private Limited	- ***149,400***	- ***8,860,254***	- ***104,981,628***	- ***95,971,974***	- ***-***	- ***198,407,986***	- ***(28,611,470)***	- ***234,363***	- ***(28,845,833)***
19	Juxt Consult Research and Consulting Private Limited (Till 31-10-2012)	- ***150,000***	- ***(97,011)***	- ***4,316,243***	- ***4,263,254***	- ***-***	- ***17,018,204***	- ***(3,794,233)***	- ***-***	- ***(3,794,233)***

20	BK Holdings Limited, Mauritius	223,250	(1,579,709,225)	978,256,992	2,557,742,967	-	25,233,915	(135,912,518)	-	(135,912,518)
		223,250	***(1,358,396,994)***	***898,494,748***	***2,256,668,492***	***-***	***22,335,618***	***(176,252,059)***	***-***	***(176,252,059)***
21	TV18 UK Limited, UK	72	(72)	-	-	-	1,166,065	480,073	-	480,073
	(Till 30-09-2012)	***72***	***(724,775)***	***2,657,606***	***3,382,309***	***-***	***8,886,512***	***(1,702,206)***	***1,567,012***	***(3,269,218)***
22	Namono Investments Limited Cyprus	45	(45)		-	-	2,757,565	2,442,608	-	2,442,608
	(Till 31-10-2012)	***45***	***(2,291,707)***	***76,470***	***2,368,131***	***-***	***-***	***(359,238)***	***-***	***(359,238)***
23	Web18 Holdings Limited,	25,545,544	1,862,583,429	1,888,285,423	156,480	-	-	(23,838,717)	-	(23,838,717)
	Cyprus	***24,001,714***	***1,774,337,668***	***1,798,439,400***	***100,018***	***-***	***559,134***	***(25,369,750)***	***-***	***(25,369,750)***
24	Colosceum Media	12,846,010	86,382,369	264,419,716	165,191,336	-	377,711,924	(23,270,264)	(122,566)	(23,147,698)
	Private Limited	***12,846,010***	***109,530,067***	***337,465,821***	***215,089,744***	***258,972***	***465,249,908***	***(15,870,332)***	***(904,811)***	***(14,965,521)***
25	Stargaze Entertainment	21,548,000	226,576,066	394,710,350	146,586,284	969,000	459,080,614	3,329,953	-	3,329,953
	Private Limited	***3,505,000***	***169,489,114***	***393,081,887***	***220,087,773***	***969,000***	***327,838,625***	***(19,389,184)***	***-***	***(19,389,184)***
26	Capital 18 Acquisition Corporation,	7,724	(7,724)		-	-	5,477,484	5,475,303	-	5,475,303
	Cayman Islands (Till 28-09-2012)	***7,724***	***(5,119,068)***	***145,755***	***5,257,099***	***-***	***-***	***(15,729)***	***-***	***(15,729)***
27	E-18 Limited, Cyprus	1,220,550,163	(287,570,536)	933,975,235	995,609	-	469,561,702	465,038,438	-	465,038,438
		1,148,066,672	***(706,791,567)***	***441,942,642***	***667,536***	***283,528,618***	***16,197,434***	***(1,000,161,196)***	***-***	***(1,000,161,196)***
28	Web 18 Software	10,533,690	(13,697,265)	3,418,891	6,582,466	-	1,400,000	(916,434)	-	(916,434)
	Services Limited	***10,533,690***	***(12,780,828)***	***3,387,249***	***5,634,387***	***-***	***1,228,000***	***(2,740,811)***	***-***	***(2,740,811)***
29	Big Tree Entertainment	2,967,480	488,233,215	841,477,477	350,276,782	-	526,156,510	32,341,310	-	32,341,310
	Private Limited	***185,480***	***55,261,833***	***268,516,570***	***213,069,257***	***-***	***294,729,348***	***15,189,499***	***685,781***	***14,503,718***
30	Moneycontrol Dot	500,000	(1,160,251)	835,919	1,496,170	-	1,291,192	(933,822)	(34,707)	(899,115)
	Com India Limited	***500,000***	***(261,136)***	***2,271,827***	***2,032,963***	***-***	***1,563,246***	***(445,924)***	***-***	***(445,924)***
31	e-Eighteen.com Limited	54,040,000	131,458,502	328,753,402	143,254,900	-	439,201,135	8,794,042	4,700,000	4,094,042
		54,040,000	***127,364,460***	***384,537,025***	***203,132,565***	***-***	***357,907,883***	***(19,695,098)***	***(5,503,299)***	***(14,191,799)***
32	Digital18 Media Limited	500,000	(373,478,985)	86,039,627	459,018,612	-	256,567,363	(20,067,926)	-	(20,067,926)
		500,000	***(353,411,058)***	***91,391,534***	***444,302,592***	***-***	***209,439,057***	***(35,323,278)***	***-***	***(35,323,278)***
33	Infomedia Press Limited	501,941,720	(598,330,070)	168,568,214	264,956,564	-	366,222,815	(242,261,261)	-	(242,261,261)
		501,941,720	***(355,582,149)***	***237,600,170***	***91,240,599***	***-***	***365,861,540***	***(2,410,598)***	***12,855,897***	***10,445,298***
34	RRB Investment	20,100,000	(215,415,398)	34,686,126	230,001,524	-	29,121	(819,518)	-	(819,518)
	Private Limited	***20,100,000***	***(214,595,880)***	***33,586,848***	***228,082,728***	***-***	***34,071,274***	***31,951,168***	***10,029,541***	***21,921,627***
35	AETN18 Media Pvt. Ltd.	469,957,479	(238,623,653)	434,732,917	203,399,091	-	407,510,656	(342,656,305)	-	(342,656,305)
		473,582,708	***(310,547,688)***	***366,433,528***	***203,398,508***	***-***	***96,702,771***	***(506,395,873)***	***-***	***(506,395,873)***
36	India Cast Media Distribution	2,280,000	53,660,440	2,303,845,092	2,247,904,652	-	4,721,706,224	(2,574,873)	1,024,224	(3,599,097)
	Private Limited #	-	-	-	-	-	-	-	-	-
37	I C Media Distribution Services	100,000	(587,600)	3,933,043	4,420,643	-	-	(587,600)	-	(587,600)
	Private Limited #	-	-	-	-	-	-	-	-	-
38	India Cast UK Limited #	4,864,800	(129,342)	4,944,139	203,681	-	-	(213,147)	-	(213,147)
		-	-	-	-	-	-	-	-	-
39	India Cast US Limited #	5,447,000	(197,005)	5,439,000	189,005	-	-	(189,492)	-	(189,492)
		-	-	-	-	-	-	-	-	-

Note :
1 Figures in bold and italics represent financial year ended March 31,2012.
2 # These Companies were not the subsidiaries of the company in the previous year, hence only current year figures are given.

Network18 Media & Investments Limited

Regd. Of ce : 503, 504 & 507, 5th Floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi-110001

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

(Pursuant to circulars no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011)

Unit : Network18 Media & Investments Limited

To
Karvy Computershare Private Limited,
Plot No. 17 to 24, Vithalrao Nagar,
Hyderabad - 500 081.

Dear Sir,

I/We shareholder(s) of Network18 Media & Investment Limited, agree to receive all notices and cocuments including the Annual Report, Notice for General Meetings and other Shareholders Communication, from time to time in electronic mode (throughn e-mail).

I/We request you to kindly register my/our below mentioned email id in the Company's records for sending such communication through e-mail.

Folio No.______________________/DP ID No.*________________________& Client ID No.*________________________
*Applicable for members holding shares in electronic form.

Name of the Sole/First Shareholder : ____

Name of the Joint Shareholders (if any) : ____

____

No. of shares held : ____

E-mail id for receipt of documents in electronic mode : ____

Date: Signature: ________________________

Place: (Sole/First Shareholder)

Notes:

1. Shareholders are request to inform the Company's Registrar and Share Transfer Agents as and when there is change in their registered email id.
2. For shares held in demat form, shareholders are also requested to inform/update their email-ids to their respective Depository Participants.

Network18 Media & Investments Limited

Regd. Of ce : 503, 504 & 507, 5th Floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi-110001

ATTENDANCE SLIP

(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I/We hereby record my/our presence at the 18th ANNUAL GENERAL MEETING of the above named Company held at 4.00 P.M. on Monday, the 29th day of July, 2013 at MPCU, Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Niwas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi–110 054.

NAME(S) OF THE MEMBER(S)	Registered Folio No. Client ID No. DP ID No. No. of shares held

Name of Proxy (in block letters)

(To be filled in, if the Proxy attends instead of the Member)

____

Signature of Member/Proxy

Network18 Media & Investments Limited

Regd. Of ce : 503, 504 & 507, 5th Floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi-110001

PROXY FORM

I/We______________________________of______________________being a Member(s) of **NETWORK18 MEDIA & INVESTMENTS LIMITED** hereby appoint______________________

of______________________________or failing him/her______________________

of______________________________or failing him/her______________________

of____

as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 18th ANNUAL GENERAL MEETING of the Company to be held at 4.00 P.M. on Monday, the 29th day of July, 2013 at MPCU, Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2 Raj Niwas Marg, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi–110 054.

AS WITNESS under my/our hand(s) this______________________day of______________2013

Signed by the said______________________________

DP ID No.______________________________

Af x
Re. 1
Revene
Stamp

Notes:

1. This Proxy need not be a member
2. This Proxy form must be deposited at the Registered Of ce of the Company not less than 48 hours before the time fixed for holding the meeting.

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BOOK-POST

If undelivered please return to:
NETWORK 18 MEDIA & INVESTMENTS LIMITED
503, 504 & 507, 5th Floor, 'Mercantile House',
15, Kasturba Gandhi Marg, New Delhi-110001