



**9th Annual
Report
2015-16**



News24 Broadcast India Limited

BOARD'S REPORT

To,
The Members,
News24 Broadcast India Limited

Your Directors have pleasure in presenting their Ninth Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended March 31, 2016.

FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year's figures are summarized below:

(Rupees in Lakhs)

Particulars	2015-16	2014-15
Total Income	6856.56	6168.18
Profit before Depreciation & Financial Charges	361.74	293.96
Financial Charges	10.70	0.29
Cash Profit	351.46	294.09
Depreciation	132.96	187.29
Profit before Tax	218.08	106.39
Provision for Tax	(9.82)	(29.10)
Profit after Tax	227.90	135.48
Proposed Dividend	Nil	Nil

During the year under review, your Company's total income is Rs. 6856.56 lakhs with a growth of 11.16% over the previous year. Cash profit during financial year 2015-16 of the Company registering healthy growth of 19.51% over the previous year 2014-15. Profit after tax of the company increased from Rs. 135.48 lakhs to Rs. 227.90 lakhs with a growth of 68.22% over the previous year.

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Your Channel "News24" with its tagline, *Har Hindustani Ka Channel* a 24 hours National Hindi free to air news channel is committed to provide timely and accurate news reporting with quality content, innovative programming and uncompromising integrity. It has consistently maintained market share and is available throughout India on cable and DTH platforms. The Company enhanced its product portfolio both in domestic as well as international markets.

Programs like National News Centre, Ye Hai India, Aaj Ka Agenda, Aamne Saamne, Sabse Bada Sawal, Mahabharat, Ek Shakhshiyat ki 50 Ansuni Kahania, News Shatak, Itihaas Gawah Hai and 100 Shahar 100 Khabrein amongst others cover a gamut of genres in news reporting and have been received exceptionally well with the audiences across the nation. "Sabse Bada Sawal" and "Aamne Saamne" are most liked program on News 24.

Your Company also leveraged content creations and made optimum use of internal resources and its infrastructure.

These shows reflects the new and innovative ways of reporting news that has given the maximum viewership and rating to our channel making its marked presence felt in the whole Media Industry.

Ad revenue growth for news channels was muted in 2015, coming on the back of an election year. As per industry discussions, the TV news industry grew at mid single digit rates of 5-8 per cent.

DIVIDEND

Your Directors are of the view that resources of the Company needs to be conserved for its future growth plans and hence do not recommend any dividend for the financial year 2015- 16. The Company has not made any transfer to General Reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid by the Company.

DEPOSITS

During the year under review, the Company has not accepted any deposit from the public under Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There were no material changes and commitments made affecting the financial position of the Company during the year.

DIRECTORS

There are four Directors on the Board of Directors of the company viz. Ms. Anuradha Prasad (DIN- 00010716), Dr. Anuradha Mishra (DIN- 01725234), Sudhir Shukla (DIN- 01567595) and Ms. Urmila Gupta (DIN-00637110).

Independent Directors

The Independent directors have submitted their declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013, confirming that they meet the criteria of independence as provided in sub section (6).

Based on the confirmation/ disclosures received from the Directors under section 149 (7) of the Act, the following Non-Executive are considered as Independent Directors:

1. Dr. Anuradha Mishra
2. Ms. Urmila Gupta

Appointments/ Resignations of the Directors and Key Managerial Personnel

During the reporting period under review, Mr. Ajay Jain, Chief Financial Officer and Ms. Jyoti Lata, Secretary of the Company

are the Key Managerial Personnel as per the provisions of the Companies Act, 2013. Mr. Ajay Jain, Chief Financial Officer and Ms. Jyoti Lata, Secretary have been holding the respective position of the Company before the commencement of the Companies Act, 2013.

During the year under review, Mr. Sudhir Shukla was appointed as Non-Executive Director of the Company on 08.08.2015 and Ms. Urmila Gupta was appointed as Non-Executive Independent Director of the Company as on 13.08.2015. The Board of Directors of the Company at their meeting held on May 29, 2015 appointed Mr. Ajay Jain as Chief Financial Officer of the Company.

Mr. Ajit Anjum, Whole Time Director resigned from the Board of the Company w.e.f. 08.08.2015.

Directors Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Sudhir Shukla (DIN: 01567595) retires by rotation and is eligible for re-appointment.

Meetings

During the Financial Year under review, 5 (five) Meetings of the Board of Directors were duly convened on 29.05.2015, 08.08.2015, 13.08.2015, 05.11.2015 and 11.02.2016. The intervening gap between the Meetings was within the time limit prescribed under the Companies Act, 2013 read with the rules made thereunder.

Composition of Committees of the Board of Directors

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and needs a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board. The terms of reference of Board Committees are determined by the Board from time to time.

At present the Board has following two Committees:

1. Audit Committee
2. Nomination and Remuneration Committee

Meetings of each Committee are convened by the respective Committee Chairman. The Company Secretary prepares the agenda and explanatory notes and circulates the same in advance to all the members. Every member is free to suggest inclusion of item(s) on the agenda. Minutes of the Committee meetings are approved by the respective Committee and thereafter placed before the Board.

AUDIT COMMITTEE

The Company has constituted an Audit Committee of Directors in accordance with the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder.

i) Terms of reference

The broad terms of reference are as under:

1. Overseeing financial reporting process and disclosure of financial information, to ensure that the financial statements are correct, sufficient and credible;
2. Recommending appointment, reappointment, terms of appointment and removal of the statutory and internal auditors, if any, of remuneration, fixation of audit fees and approval for payment of any other services;
3. Reviewing with the management, the periodical financial statements including subsidiaries / associates, if any, before submission to the Board for approval;
4. Reviewing with the management and the statutory auditors, the adequacy of internal control systems and recommending improvements to the management;
5. Reviewing the findings of any internal investigations by auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
6. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, as well as post-audit discussions to ascertain any area of concern;
7. Reviewing and monitoring auditor's independence and performance and effectiveness of audit process;
8. Scrutiny of Inter-corporate loans and advances;
9. Approval or any subsequent modification of transactions of the company with related parties;
10. Valuation of undertakings or assets of the company, wherever it is necessary; and
11. Such other functions as may be delegated by the Board from time to time.

The meetings of Audit Committee are also attended by Chief Financial Officer and Statutory Auditors. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and discussed in the meeting of the Board.

(ii) Composition of the Committee:-

Presently, the Audit Committee of the Company comprises of Executive and Non-executive Directors. Dr. Anuradha Mishra, Chairperson of the Committee is a Non-Executive Independent Director. Other members are Ms. Urmila Gupta, Non-Executive Independent Director and Mr. Sudhir Shukla, Non-Executive Director. All the members possess financial, management and accounting knowledge/ expertise and have held or hold senior positions in several reputed organizations. The intervening gap between the

Meetings was within the time limit prescribed under the Companies Act, 2013 read with the rules made thereunder.

NOMINATION AND REMUNERATION COMMITTEE

The Company has Nomination and Remuneration Committee as required under the provisions of Section 178 of the Companies Act, 2013.

(i) Terms of Reference

Brief terms of reference of Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

All the matters relating to finalization of remuneration to executive directors are being taken in the meeting of said Committee for their consideration and approval.

Nomination and Remuneration Committee of Directors is authorized to decide the remuneration of the Managing Director/Executive Director's, subject to the approval of the Members and Central Government, if required. Remuneration comprises of fixed Component viz. salary, perquisites and allowances and a variable component.

(ii) Composition of the Committee

Presently, the Remuneration Committee of the Company comprises of Executive and Non-executive Directors of the Board. The Chairman of the Committee is Mr. Sudhir Shukla, a Non-executive Director. Other members are Dr. Anuradha Mishra, Non-Executive Director and Ms. Urmila Gupta, Non-Executive Director. Ms. Jyoti Lata, Company Secretary acts as the Secretary of the Committee.

(iii) Nomination and Remuneration Policy

The Nomination and Remuneration policy of the Company is a comprehensive policy which is competitive, in consonance with the industry practices. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in

Annexure I and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a 'going concern' basis.
- e) the internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and operating effectively; and
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were in place and were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure II**.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, the Company has not formed or divested any joint venture or subsidiary and associate company.

INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls with reference to financial statements, being examined by the management and internal auditors with the size, scale and complexity of its operation. To maintain its objectivity and independence, the Internal Financial Audit functions reports to the Chairman of the Audit Committee of the Board. During the year, no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013, an audit firm can act as auditors for a maximum tenure of two terms of 5 consecutive years. For the purpose of reckoning this limit, existing tenure of the auditors needs to be counted. However, companies have been given a transition time of 3 years from April 1, 2014 to comply with this provision.

Accordingly, the Company's Auditors M/s. Joy Mukherjee & Associates (FRN: 006792C), Chartered Accountants, who retire at the ensuing Annual General Meeting, may continue as statutory auditors for auditing financial statements for the financial year ending March 31, 2017. M/s. Joy Mukherjee & Associates have confirmed their eligibility and willingness to accept office, if re-appointed. Based on the recommendation of Audit Committee, the Board has approved the proposal for placing the matter of re-appointment of M/s. Joy Mukherjee & Associates as statutory auditors at the 9th Annual General Meeting.

Qualification in Auditors reports

All observations made in the Independent Auditors' Reports are self explanatory and suitably addressed in the Notes forming part of the Financial Statements and do not call for any further comments. The Company is in the regime of unqualified financial statements.

Pursuant to provisions of section 143(12) of the Companies Act, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

Material Events Occurred between the end of Financial Year to which the Financial Statements Relate and the Date of the Report :

No material events have occurred between the end of Financial Year 2015-16 and the date of this Report which have effect over the Financial position of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134 (3) (m) of the Companies Act, 2013 read along with Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption are not applicable.

During the year, your Company has incurred expenditure in foreign currency to the extent of Rs. 3,543,533/- as against Rs. 4,634,018/ in the previous financial year 2014-2015 and not earned any foreign currency.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant or material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The particulars of every contract and arrangement entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions are disclosed in Form No. AOC-2 in **Annexure III** and form part of this Report.

SHARE CAPITAL

The paid up equity share capital as on March 31, 2016 was Rs. 353,642,520/- divided into 35,364,252 equity shares of Rs. 10/- each.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company believes in voluntary commitment Corporate Social Responsibility initiatives, though said provisions are not applicable. However, once the said provisions are applicable, the Company shall report the same in the coming years and shall submit the relevant report on such applicability.

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, organizations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. viewers, listener, producers, vendors, members, dealers, auditors, consultants, legal advisor, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors
News24 Broadcast India Limited

Anuradha Prasad
Chairperson
DIN:00010716

Date : May 30, 2016
Place : Noida

Annexure - I

“NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES”

[News24 Broadcast India Limited]

INTRODUCTION

Section 178 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as amended require the Nomination and Remuneration Committee of the Board of Directors of the companies to

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- carry out evaluation of every director's performance.
- formulate the criteria for evaluation of performance of Independent Directors and the Board.

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, Board of Directors adopted the Nomination and Remuneration Policy of News24 Broadcast India Limited (hereinafter called as News24) for the directors, key managerial personnel and other employees of the Company, duly recommended by NRC as set out below.

COMPANY PHILOSOPHY

News24 is an equal opportunities employer. The organization does not discriminate on grounds of age, gender, color, race, ethnicity, language, caste, creed, economic or social status or disability. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company and motivate them to do better in future.

The endeavor of the organization is to acknowledge the contributions of its directors, key managerial personnel and other employees with best compensation and benefits that appropriately reward performance in line with the regulatory and industry best practices.

GUIDING PRINCIPLES

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavored to ensure the guiding principles as prescribed u/s 178(4) of the Companies Act, 2013 and rules made thereunder, summarized hereunder:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate human resource including directors of the quality required to run the company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) remuneration to directors, key managerial personnel and senior management reflecting short and long term performance objectives appropriate to the working of the company and its goals;
- d) facilitating effective shareholder participation in key Corporate Governance decisions such as the nomination and election of board members;
- e) aligning key executive and board remuneration with the longer term interests of the company and its shareholders;
- f) ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

NOMINATION OF THE DIRECTORS

The Nomination and Remuneration Committee of the Board of Directors is dedicated to ensuring the continuance of a dynamic and forward-thinking Board and recommend to the Board qualified candidates for directorship.

Before recommending a nominee's candidature to the Board for being appointed as a Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors.

General Criteria

- The background and qualifications of the Directors considered as a group should provide a significant breadth of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities.
- Diversity reflecting gender, ethnic background, country of citizenship and professional experience. Diverse professional and personal backgrounds.
- Conflict of interest which would violate any applicable law or regulation or interfere with the performance of the responsibilities of a director.
- Commitment of the nominee to understanding the Company and its industry, embracing the organisation's values to help shape its vision, mission and strategic direction including oversight of risk management and internal control.

- Commitment of the nominee to spending the time necessary to function effectively as a Director, including attending and participating in meetings of the Board and its Committees.

Specific Criteria

- Demonstrated business acumen, experience and ability to use sound judgment and to contribute to the effective oversight of the business and financial affairs of organisation.
- The nominee reflects the right corporate tone and culture and excels at board-management relationships.
- Experience in strategic planning and managing multidisciplinary responsibilities and high standards of integrity and professional conduct.
- Nominees understand and endeavor to balance the interests of shareholders and/ or other stakeholders and put the interests of the company or organisation above self-interest. He/ she has demonstrated a commitment to transparency and disclosure.
- He/ she is committed to superior corporate performance, consistently striving to go beyond the legal and/or regulatory governance requirements to enhance, not just protect, shareholder value.
- Nominee contributes to effective governance through superior, constructive relationships with the Executive Directorate and management.

REMUNERATION OF THE DIRECTORS

The Company strives to provide fair compensation to directors, taking into consideration industry benchmarks, Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macroeconomic review on remuneration packages of heads of other organisations.

The remuneration payable to the Directors of the Company shall at all times be determined, in accordance with the provisions of the Companies Act, 2013.

Appointment and Remuneration of Managing Director and Whole-time Director

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013.

While recommending the remuneration payable to a Managing/ Whole-time Director, the Nomination and Remuneration Committee shall, *inter alia*, have regard to the following matters:

- Financial and operating performance of the Company
- Relationship between remuneration and performance
- Industry/ sector trends for the remuneration paid to executive directorate

Annual Increments to the Managing/ Whole-time Director(s) shall be within the slabs approved by the Shareholders. Increments shall be decided by the Nomination and Remuneration Committee at times it desires to do so but preferably on an annual basis.

Remuneration of Independent Directors

Independent Directors may receive remuneration by way of

- Sitting fees for participation in the Board and other meetings, if approve,
- Reimbursement of expenses for participation in the Board and other meetings
- Commission as approved by the Shareholders of the Company

Independent Directors shall not be entitled to any stock options.

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. However, the Company is not paying any sitting fee to any Independent Director.

Remuneration to Directors in other Capacity

The remuneration payable to the directors including Managing or Whole-time Director or Manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

- the services rendered are of a professional nature; and
- in the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.

EVALUATION OF THE DIRECTORS

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually.

Section 178(2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every director's performance.

NOMINATION AND REMUNERATION OF THE KEY MANAGERIAL PERSONNEL (OTHER THAN MANAGING DIRECTORS/WHOLE TIME DIRECTORS), KEY EXECUTIVES AND SENIOR MANAGERMENTS

The Companies Act, 2013 has for the first time recognized the concept of Key Managerial Personnel. As per section 2(51) "key managerial personnel", in relation to a company, means:

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-time Director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed.

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole-time Director(s), shall be governed by the Section on REMUNERATION OF THE DIRECTORS of this Policy dealing with "Remuneration of Managing Director and Whole-time Director".

Apart from the directors, the remuneration of

- All the Other KMPs such as the company secretary or any other officer that may be prescribed under the statute from time to time; and
- "Senior Management" of the Company defined in the clause 49 of the Listing Agreement with the Stock Exchanges i.e. personnel who are members of its core management team excluding the Board of Directors. Senior executives' one level below the Board shall be determined by the Human Resources Department of the Company in consultation with the Managing Director and/ or the Whole-time Director.

The remuneration determined for all the above said senior personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholders interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department.

REMUNERATION OF THE EMPLOYEES

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff.

The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the HODs of various departments. Decisions on Annual Increments shall be made on the basis of this annual appraisal.

GENERAL

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the Listing Agreement on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors.

Annexure-II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: **U32204DL2007PLC162094**
- ii) Registration Date: **16.04.2007**
- iii) Name of the Company: **News24 Broadcast India Limited**
- iv) Category / Sub-Category of the Company: **Public Company/Limited by Shares/India Non Government Company**
- v) Address of the Registered office and contact details: **352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096, Tel 91 120 3911 444, Fax: 91 120 3911 401.**
- vi) Whether listed company Yes / No: **No**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **NIL**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Television programming and Broadcasting Activities	6020	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares Held	Applicable Section
1	B.A.G. Films and Media Limited 352, Aggarwal Plaza, Plot No. 8, Kondli, New Delhi-110 096	L74899DL1993PLC051841	Holding Company	53.817	2(46)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1) Indian									
a) Individual / HUF	-	113093	113093	0.32	-	113093	113093	0.32	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	20038342	20038342	56.66	-	20038342	20038342	56.66	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	20151435	20151435	56.98	-	20151435	20151435	56.98	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	20151435	20151435	56.98	-	20151435	20151435	56.98	0.00
Total shareholding of Promoter (A) = (A) (1)+(A)(2)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	12641389	12641389	35.75	-	12641389	12641389	35.75	0.00
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	2571428	2571428	7.27	-	2571428	2571428	7.27	0.00
c) Others (specify)									
Sub-total (B)(2):-	-	15212817	15212817	43.02	-	15212817	15212817	43.02	0.00
Total Public Shareholding (B)=(B) (1)+(B)(2)	-	15212817	15212817	43.02	-	15212817	15212817	43.02	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	35364252	35364252	100.00	-	35364252	35364252	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anuradha Prasad	113093	00.32	N.A.	113093	00.32	N.A.	0.00
2	B.A.G. Films and Media Limited	19031847	53.82	2.70	19031847	53.82	2.70	0.00
3	ARVR Communications Private Limited	1006495	2.84	N.A.	1006495	2.84	N.A.	0.00
	Total	20151435	56.98	2.70	20151435	56.98	2.70	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change) No Changes

Particulars	Shareholding at the beginning of the year		Share holding at the end of the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the Beginning of the year	20151435	56.98	20151435	56.98
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
At the End of the year	20151435	56.98	20151435	56.98

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Oscar Software Private Limited	6486752	18.34	6486752	18.34
2	Sameer Gehlaut	2571428	7.27	2571428	7.27
3	High Growth Distributors Private Limited	2571428	7.27	2571428	7.27
4	Par Vision Consultancy Pvt. Ltd.	1428570	4.04	1428570	4.04
5	Glaxo Finance Private Limited	1000000	2.83	1000000	2.83
6	Virgin Infrastructure Private Limited	1000000	2.83	1000000	2.83
7	Odyssey Corporation Limited	154639	0.44	154639	0.44

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ms. Anuradha Prasad*				
	At the beginning of the year	113093	0.32	113093	0.32
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	0	0.00	0	0.00
	At the End of the year	113093	0.32	113093	0.32

*Except Ms. Anuradha Prasad (whose shareholding given above), no other Directors and KMP hold any shares in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment refer "Notes to Financial Accounts".

The Company is not accepting any deposit under section 73 to 76 of the Company Act, 2013 read with Companies (Acceptance of Deposits) Rule, 2014.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	MD/WTD/Manager*
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify...	Nil
5.	Others, please specify	Nil
	Total (A)	Nil
	Ceiling as per the Act	N.A.

*Mr. Ajit Anjum, was resigned from directorship on 08.08.2015 from.

B. Remuneration to other directors: NIL

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
	3. Independent Directors	Dr. Anuradha Mishra	Ms. Urmila Gupta	
	• Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
	4. Other Non-Executive Directors	Ms. Anuradha Prasad	Mr. Sudhir Shukla	
	<ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the KMP other than MD/WTD/ Manager		Total Amount
		Mr. Ajay Jain, Chief Financial Officer*	Ms. Jyoti Lata, Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	409,240	409,240
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please Specify	-	Nil	Nil
	Total	-	409,240	409,240

* Mr. Ajay Jain not received any remuneration from the Company.

Annexure III

FORM No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis :

SI No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

2. Details of contracts or arrangements or transactions at Arm's length basis:

SI No.	Particulars	Details
a)	Name (s) of the related party	B.A.G. Films and Media Limited
b)	Nature of relationship	Holding Company
c)	Nature of contracts/arrangements/ transaction	Programming Expenses & Leasing of Equipments
d)	Duration of the contracts/arrangements /transaction and Justification thereof	Continuing Contracts
e)	Salient terms of the contracts or arrangements or transaction	As per Related Party Transaction Policy
f)	Amount	Programming Expenses : Rs. 32,967,036 Leasing of Equipments : Rs. 49,384,768

For and on behalf of the Board of Directors
News24 Broadcast India Limited

Anuradha Prasad
Chairperson
DIN:00010716

Date: May 30, 2016
Place : Noida

INDEPENDENT AUDITOR'S REPORT

To the Members of News24 Broadcast India Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of News24 Broadcast India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's

preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to

our separate Report in "Annexure B", which is based on the Auditors' Reports of the Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.

Report on Other Legal and Regulatory Requirements (continued)

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any,

on long-term contracts including derivative contracts;

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Joy Mukherjee & Associates

Chartered Accountants
Firm Registration No. 006792C

Joy Mukherjee

Partner

Place: Noida
Dated: May 30, 2016

Membership No.074602

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

In respect of the Annexure referred to in paragraph 1 of our report to Members of News24 Broadcast India Limited ("the Company") for the year ended March 31, 2016, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the Company.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of Section 185 apply. The Company has complied with the provisions of Section 186 of the Act, with respect to the loans, investments, guarantees and security.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2016 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax, Wealth tax, Sales-tax, Service tax, Value added tax, cess and other material statutory dues were in arrears, as at 31 March 2016, for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax which have not been deposited as on March 31, 2016 on account of disputes by the aforesaid entities are given below:

Name of the Company	Name of the Statute	Nature of dues	Period to Which the Amount Relates	Amount (In Lakh)	Forum where disputes is pending
News24 Broadcast India Limited	Income Tax Act, 1961	Income Tax	Assessment year 2012-13	428.97	Commissioner (Appeals) of Income Tax
News24 Broadcast India Limited	Income Tax Act, 1961	Income Tax	Assessment year 2011-12	983.60	Commissioner (Appeals) of Income Tax
News24 Broadcast India Limited	Income Tax Act, 1961	Income Tax	Assessment year 2010-11	407.54	Commissioner (Appeals) of Income Tax

There were no due of Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as at March 31, 2016 on account of dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
9. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purposes for which they were raised.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration during the year. Accordingly, the provisions of clause (xi) of the Order are not applicable to the Company and hence not commented upon.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of Section 192 of the Act are not applicable.
16. According to the information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

For Joy Mukherjee & Associates
Chartered Accountants
Firm Registration No. 006792C

Joy Mukherjee
Partner

Place : Noida
Dated : May 30, 2016

Membership No.074602

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of News24 Broadcast India Limited ('the Company') as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the

'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies

and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Joy Mukherjee & Associates
Chartered Accountants
Firm Registration No. 006792C

Joy Mukherjee

Partner

Place : Noida
Dated : May 30, 2016

Membership No.074602

News24 Broadcast India Limited
Balance Sheet as at March 31, 2016

Particulars	Note No.	March 31, 2016		March 31, 2015	
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
I. Equity and Liabilities					
1. Shareholder's funds					
(a) Share Capital	1	353,642,520		353,642,520	
(b) Reserves and Surplus	2	(21,205,419)		(41,002,786)	
			332,437,101		312,639,734
2. Non-current liabilities					
(a) Long-term borrowings	3	226,149,787		179,202,740	
(b) Long-term Provisions	4	5,819,548		4,547,970	
			231,969,335		183,750,710
3. Current Liabilities					
(a) Short term borrowings	5	27,383,334		-	
(a) Trade payables		85,997,424		26,364,619	
(b) Other current liabilities	6	74,760,192		39,358,075	
			188,140,950		65,722,694
TOTAL			752,547,386		562,113,138
II Assets					
1. Non-current assets					
(a) Fixed assets					
(i) Tangible assets	7	71,914,950		40,516,164	
(ii) Intangible assets	8	72,712		134,111	
(iii) Capital work-in-progress		5,496,875		80,087,297	
(b) Deferred tax assets (net)		4,421,197		3,439,567	
(d) Non-current investments	9	211,501,825		75,876,000	
(c) Other non-current assets	10	42,236		84,488	
			293,449,795		200,137,627
2. Current assets					
(a) Inventories	11	46,053,468		48,595,998	
(b) Trade receivables	12	214,513,452		176,383,223	
(c) Cash and Cash equivalents	13	39,166,700		40,864,392	
(d) Short-term loans and advances	14	159,363,971		96,131,898	
			459,097,591		361,975,511
TOTAL			752,547,386		562,113,138

The Notes referred to above form an integral part of these financial statements.

For and on behalf of the Board of Directors

As per our report of even date
For Joy Mukherjee & Associates
Chartered Accountants
Firm Registration No. 006792C

Anuradha Prasad
Director
DIN: 00010716

Sudhir Shukla
Director
DIN: 01567595

Jyoti Lata
Company Secretary

Ajay Jain
CFO

Joy Mukherjee
Partner
Membership No. 074602

Place : Noida
Date : May 30, 2016

News24 Broadcast India Limited
Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Note No.	March 31, 2016		March 31, 2015	
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
I Revenue from operations	15	680,085,735		611,108,269	
II Other Income	17	5,570,731		5,710,196	
III Total Revenue (I + II)			685,656,466		616,818,465
IV Expenses					
Changes in inventories of finished goods		2,542,530		1,097,480	
Employee benefits expense	18	138,953,070		131,091,902	
Finance Costs	16	1,070,224		28,700	
Depreciation and amortization expense		13,295,669		18,728,504	
Other expense	19	507,987,140		455,233,367	
Total Expense			663,848,633		606,179,953
V Profit before exceptional and extraordinary items and tax (III-IV)			21,807,833		10,638,512
VI Exceptional Items					
VII Profit before extraordinary items and tax (V-VI)			21,807,833		10,638,512
VIII Extraordinary items					
IX Profit before tax (VII-VIII)			21,807,833		10,638,512
X Tax expense:					
(1) Deferred tax		(981,630)		(2,909,873)	
			(981,630)		(2,909,873)
XI Profit/(Loss) for the period from continuing operations (IX - X)			22,789,463		13,548,385
XII Earnings per equity share:					
(1) Basic			0.56		0.12
(2) Diluted			0.37		0.08

The Notes referred to above form an integral part of these financial statements.

For and on behalf of the Board of Directors

As per our report of even date

For Joy Mukherjee & Associates

Chartered Accountants

Firm Registration No. 006792C

Anurradha Prasad
Director
DIN: 00010716

Sudhir Shukla
Director
DIN: 01567595

Jyoti Lata
Company Secretary

Ajay Jain
CFO

Joy Mukherjee
Partner
Membership No. 074602

Place : Noida
Date : May 30, 2016

News24 Broadcast India Limited
Cash Flow Statement for the period ended March 31, 2016

Particulars	For the Period ended March 31, 2016		For the Period ended March 31, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		21,807,833		10,638,512
Adjustments for:				
Depreciation and amortisation	13,295,669		18,728,504	
Finance costs	1,070,224		28,700	
Interest income	(3,861,076)		(3,562,018)	
Liabilities / provisions no longer required written back	(425)		(842,390)	
Other non-cash charges				
Adjustment Relating to earlier year	(2,992,095)	7,512,297	(6,413,556)	7,939,240
Operating profit / (loss) before working capital changes		7,512,297		7,939,240
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	2,542,530		1,097,480	
Trade receivables	(38,129,804)		(37,428,381)	
Short-term loans and advances	(63,232,073)		47,853,728	
Other non-current assets	42,252		42,252	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	59,632,804		(62,063,389)	
Other current liabilities	35,402,117		19,472,125	
Long-term provisions	1,271,578	(2,470,596)	409,342	(30,616,843)
		5,041,701		(22,677,603)
Net cash flow from / (used in) operating activities (A)		26,849,534		(12,039,091)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(44,633,058)		(77,812,202)	
Proceeds from sale of fixed assets	74,590,424		-	
Purchase of long-term investments				
- Others	(135,625,825)		-	
Interest received				
- Others	3,861,076		3,562,018	
		(101,807,383)		(74,250,184)
Net cash flow from / (used in) investing activities (B)		(101,807,383)		(74,250,184)

Particulars	For the Period ended March 31, 2016		For the Period ended March 31, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		56,144,376	
Proceeds from long-term borrowings	-		4,202,740	
Repayment of long-term borrowings	46,947,047		-	
Proceeds from other short-term borrowings	27,383,334		-	
Finance cost	(1,070,224)	73,260,157	(28,700)	60,318,416
Net cash flow from / (used in) financing activities (C)		73,260,157		60,318,416
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(1,697,692)		(25,970,859)
Cash and cash equivalents at the beginning of the year		40,864,392		66,835,251
Cash and cash equivalents at the end of the year		39,166,700		40,864,392
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet		39,166,700		40,864,392
Net Cash and cash equivalents		39,166,700		40,864,392
Add: Current investments considered as part of Cash and cash equivalents		-		-
Cash and cash equivalents at the end of the year *		39,166,700		40,864,392
* Comprises:				
(a) Cash on hand		491,404		120,399
(b) Balances with banks				
(i) In current accounts		541,323		6,384,722
(ii) In deposit accounts		20,156,526		18,107,531
(iv) In earmarked accounts (give details) (Refer Note (ii) below)		17,027,688		16,067,000
(c) Others				
Imprest with Staff		949,759		184,740
		39,166,700		40,864,392

The Notes referred to above form an integral part of these financial statements.

For and on behalf of the Board of Directors

As per our report of even date
For Joy Mukherjee & Associates
Chartered Accountants
Firm Registration No. 006792C

Anuradha Prasad
Director
DIN: 00010716

Sudhir Shukla
Director
DIN: 01567595

Jyoti Lata
Company Secretary

Ajay Jain
CFO

Joy Mukherjee
Partner
Membership No. 074602

Place : Noida
Date : May 30, 2016

Notes to Financial Accounts

Particulars	Amount in ₹	Amount in ₹
	March 31, 2016	March 31, 2015
Note 1		
Share Capital		
Authorised share capital		
Equity Share Capital		
37,000,000 Equity Shares of Rs. 10/- each	370,000,000	370,000,000
(Previous Year 37,000,000 Equity Shares of Rs. 10/- each)		
Total	370,000,000	370,000,000

Particulars	March 31, 2016	March 31, 2015
Issued, subscribed and fully paid share capital		
35,364,252 Equity Shares of Rs 10/- per share	353,642,520	353,642,520
(Previous Year 35,364,252 Equity Shares @ Rs 10/- each)		
Total	353,642,520	353,642,520

- Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the 31 March 2016

Particulars		March 31, 2016	March 31, 2015
Equity shares Fully paid up			
Number of Shares outstanding at the Beginning of the Year :	Qty	35,364,252	34,785,444
	Value	353,642,520	347,854,440
Add : Further Issue during the year	Qty	-	578,808
	Value	-	5,788,080
Number of Shares outstanding at the end of the Year :	Qty	35,364,252	35,364,252
	Value	353,642,520	353,642,520

- Details of shares held by the holding company, their subsidiaries and associates :	Number of Shares	
	March 31, 2016	March 31, 2015
B.A.G. Films and Media Limited	19,031,847	19,031,847
(Holding Company)		

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

Name of shareholder	March 31, 2016	
	No. of Shares	
B.A.G. Films and Media Limited	19,031,847	
Sameer Gehlaut	2,571,428	
High Growth Distributors Private Limited	2,571,428	
Oscar Software Private Limited	6,486,752	

Note 2

Particulars	March 31, 2016	March 31, 2015
Reserves and Surplus		
Securities Premium Reserves		
Opening balance	2,056,832,892	2,006,476,596
Add: Premium on shares issued during the year	-	50,356,296
Closing balance	Sub Total 2,056,832,892	2,056,832,892
Surplus		
Opening balance	(2,097,835,679)	(2,102,077,632)
Add: Profit / (Loss) for the year	22,789,463	13,548,385
Adjustment relating to earlier year	(2,992,095)	(9,306,431)
Closing balance	Sub Total (2,078,038,311)	(2,097,835,678)
Total	(21,205,419)	(41,002,786)

Note 3

Particulars	March 31, 2016	March 31, 2015
Long-term borrowings		
Secured Loans		
A. Other borrowings (from entities other than Banks)	54,202,740	54,202,740
B. Long term maturity of Finance lease obligation	44,186,773	-
Unsecured Loans		
Optionally fully convertible Debentures	127,760,274	125,000,000
Total	226,149,787	179,202,740

Disclosure in relation to Optionally Fully Convertible Debenture

The Company had issued 1250000 optionally fully convertible debenture (OFCDs) of face value Rs 100/-each to Eminent Networks Private Limited. The OFCDs fully convertible into equity shares at any time after the expiry of 4 years of issue at a conversion price arrived at a fair valuation mutually agreeable to the both parties.

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

A. Other borrowings

The amount of Rs 54,202,740 (Previous year 54,202,740) is secured by pledging 514,286 equity shares held by B.A.G. Films and Media Limited in News24 Broadcast India Limited. The amount is convertible into equity shares after a period mutually agreed between the parties.

B. Finance Lease

Assets acquired under lease are secured by way of respective assets taken on lease.

Note 4

Particulars	March 31, 2016	March 31, 2015
Long-term provisions		
Provision for Employee benefits		
- Provision for Gratuity	4,493,703	3,480,306
- Provision for Leave encashment	1,325,845	1,067,664
Total	5,819,548	4,547,970

Note 5

Particulars	March 31, 2016	March 31, 2015
Short-term borrowings		
Secured		
Loans repayable on demand	27,383,334	-
Total	27,383,334	-

Note 6

Particulars	March 31, 2016	March 31, 2015
Other current Liabilities		
Other payables		
Statutory Liabilities	17,911,669	17,109,779
Advance received from customers	36,991,597	5,038,361
Other Liabilities	5,992,409	3,904,724
Employee Cost	12,264,517	11,705,211
Security deposits received	1,600,000	1,600,000
Total	74,760,192	39,358,075

Notes 7 - Fixed assets schedule as per Companies Act, 2013 for the Period ended on March 31, 2016

Tangible Fixed Assets

Amount in ₹

Particulars	Gross Block			Depreciation				Net Block			
	Cost as at 01.04.2015	Addition during the year	Sale/Adj during the year	Cost as at 31.03.2016	Accumulated Depreciation as at 01.04.2015	Depreciation for the year	Adjustment for the Year	Accumulated Depreciation as at 31.03.2016	Adjustment as per Company Act 2013	W.D.V as at 31.03.2016	W.D.V as at 31.03.2015
Plant & Machinery	81,338,450	44,324,188	-	125,662,638	47,896,061	9,375,925	-	57,271,986	-	68,390,652	33,442,389
Computer & Peripherals	40,728,232	153,000	-	40,881,232	39,983,415	555,322	-	40,538,737	-	342,495	744,817
Furniture & Fixture	40,094,262	-	-	40,094,262	34,281,188	3,021,492	-	37,302,680	-	2,791,582	5,813,074
Office Equipments	891,828	155,870	-	1,047,698	820,375	81,218	-	901,593	-	146,105	71,453
Vehicle	2,031,043	-	-	2,031,043	1,586,614	200,313	-	1,786,927	-	244,116	444,429
Total	165,083,815	44,633,058	-	209,716,873	124,567,653	13,234,270	-	137,801,923	-	71,914,950	40,516,162

Notes 8 - Fixed assets schedule as per Companies Act, 2013 for the Period ended on March 31, 2016

Intangible Fixed Assets

Amount in ₹

Particulars	Gross Block			Depreciation				Net Block			
	Cost as at 01.04.2015	Addition during the year	Sale/Adj during the year	Cost as at 31.03.2016	Accumulated Depreciation as at 01.04.2015	Depreciation for the year	Adjustment for the Year	Accumulated Depreciation as at 31.03.2016	Adjustment as per Company Act 2013	W.D.V as at 31.03.2016	W.D.V as at 31.03.2015
Computer Software	25,719,790	-	-	25,719,790	25,585,680	61,398	-	25,647,078	-	72,712	134,110
Total	25,719,790	-	-	25,719,790	25,585,680	61,398	-	25,647,078	-	72,712	134,110

Note 9

Particulars	March 31, 2016	March 31, 2015
Non-Current Investments		
Quoted Investments		
Mutual Fund	5,199,725	-
Non-Current Investments		
Unquoted Investments		
758,760 Optionally Fully Convertible Debentures (Previous Year 758,760 OFCDs) of E24 Glamour Limited Having Face Value of Rs 100/- per Optionally Fully Convertible Debenture	75,876,000	75,876,000
579,265 Optionally Fully Convertible Debentures (Previous Year Nil OFCDs) of Skyline Tele Media Services Limited Having Face Value of Rs 100/- per Optionally Fully Convertible Debenture	57,926,500	-
724,996 Optionally Fully Convertible Debentures (Previous Year Nil OFCDs) of Skyline Radio Network Limited Having Face Value of Rs 100/- per Optionally Fully Convertible Debenture	72,499,600	-
Total	211,501,825	75,876,000

Note 10

Particulars	March 31, 2016	March 31, 2015
Other non-current assets		
Unamortised expenses		
Preliminary Expenses		
Opening Balance	84,488	126,740
Add: Incurred during the year	-	-
	84,488	126,740
Less: Written off	42,252	42,252
	42,236	84,488
Total	42,236	84,488

Note 11

Particulars	March 31, 2016	March 31, 2015
Inventories		
Finished goods	46,053,468	48,595,998
Total	46,053,468	48,595,998

Note 12

Particulars	March 31, 2016	March 31, 2015
Trade Receivables (Unsecured)		
Considered good		
Over six months from the date they were due for payment	17,760,835	16,352,473
	17,760,835	16,352,473
Less: Provision for doubtful trade receivables	-	-
Sub Total	17,760,835	16,352,473

Other Trade receivables	196,752,617	160,030,750
	196,752,617	160,030,750
Less: Provision for doubtful trade receivables	-	-
Sub Total	196,752,617	160,030,750
Total	214,513,452	176,383,223

Note 13

Particulars	March 31, 2016	March 31, 2015
Cash and cash equivalents		
Cash in hand	491,404	120,399
Balance with banks		
- In Current accounts	541,323	6,384,722
- In Deposit accounts	20,156,526	18,107,531
- In earmarked accounts		
- Balances held as security against guarantees	17,027,688	16,067,000
Imprest with Staff	949,759	184,740
Total	39,166,700	40,864,392

Note 14

Particulars	March 31, 2016	March 31, 2015
Short term loans and advances (Unsecured)		
A. Balances with government authorities		
Advance Taxes	24,498,760	31,438,871
Sub Total	24,498,760	31,438,871
B. Security Deposits	1,546,580	1,546,580
	1,546,580	1,546,580
Less: Provision for doubtful loans and advances	-	-
Sub Total	1,546,580	1,546,580
C. Prepaid Expenses	47,186,797	4,219,716
Sub Total	47,186,797	4,219,716
D. Loans and advances to employees		
Unsecured, considered good	1,063,100	836,033
	1,063,100	836,033
Less: Provision for doubtful loans and advances	-	-
Sub Total	1,063,100	836,033
E. Others		
Advance to Other	85,068,734	58,090,698
Sub Total	85,068,734	58,090,698
Total	159,363,971	96,131,898

Note 15

Particulars	March 31, 2016	March 31, 2015
Revenue from Operations		
Revenue from - Sale of Services		
Income from Advertisement Sales	680,085,735	611,108,269
Total	680,085,735	611,108,269

Note 16

Particulars	March 31, 2016	March 31, 2015
Finance Costs		
A. Interest expense on		
Borrowing	309,626	-
	309,626	-
B. Other borrowing costs		
Bank Charges	162,230	28,700
Processing Fees	598,368	-
Total	1,070,224	28,700

Note 17

Particulars	March 31, 2016	March 31, 2015
Other Income		
A. Interest income		
Interest from banks on:		
Fixed Deposits	1,842,379	2,778,287
Interest from other	2,018,697	783,731
	3,861,076	3,562,018
B. Other Non-Operating Income		
Income from Equipment Hiring	1,265,880	1,265,880
Miscellaneous income	443,350	30,760
Foreign Exchange Fluctuation	-	9,148
Sundry balance written back	425	842,390
	1,709,655	2,148,178
Total	5,570,731	5,710,196

Note 18

Particulars	March 31, 2016	March 31, 2015
Employee Benefits Expense		
Salaries, Wages & Bonus	129,651,042	124,845,883
Contribution to Provident and other funds	6,066,848	5,186,434
Staff welfare expenses	3,235,180	1,059,585
Total	138,953,070	131,091,902

Note 19

Particulars	March 31, 2016	March 31, 2015
Operation and Other Expenses		
Power and fuel	9,591,937	9,809,114
Lease Rent	52,163,733	52,859,581
Repairs to machinery	2,185,491	2,963,349
Insurance	16,105	1,499
Rates and taxes , excluding, taxes on income	5,251,289	780,361
Loss on foreign currency transaction and transaction	191,320	65,914
Payment to auditors		
- As Auditor	100,000	75,000
- For Taxation Matters	50,000	50,000
- For Management Services	25,000	25,000
- For Reimbursement of Expenses	58,798	36,458
Professional Charges	14,906,924	19,699,160
Space segment charges	12,218,132	13,298,534
Travelling Expenses	19,250,395	18,341,876
Subscription Charges	13,536,073	15,059,236
Shooting Content & Programming Expenses	81,760,463	2,999,647
Annual Maintenance charges	7,712,353	9,940,868
Carriage Charges	237,005,677	246,614,461
Advertisement & Publicity	6,544,860	25,665,338
Miscellaneous Expenses	45,418,590	36,947,971
Total	507,987,140	455,233,367

Note-20

Corporate Information

The Company is running its 24 hours National Hindi news channel in the name of "News24". Programmes like Aaj Ka Reporter, Aamne-Saamne, Sabse Bada Sawal, Mahabharat, Ek Shakhshiyat ki 50 Ansuni Kahania, Itihaas Gawah Hai, Modi Ka Mahabharat, Sadda Haq and Khabrein 30 Second Mein amongst others cover a gamut of genres in news reporting and have been received exceptionally well with the audiences across the nation. The channel today is ranked among the leading Hindi News channel in the country.

Note-21

Significant Accounting Policies

21.1 Basis of accounting and preparation of financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

21.2 Use of Estimates

The preparation of the financial statements is in accordance with Generally Accepted Accounting Principles. It requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from these estimates and a revision to such accounting estimates is recognized in the accounting period in which such a revision takes place.

21.3 Inventories

Stock of Tapes, Cassettes, Discs and Electronic Devices

Inventories of raw stock consists of tapes, cassettes, compact discs and other electronic devices which are valued at lower of cost or estimated net realizable value. Cost is taken on First in First out basis (FIFO).

Inventories Related to Television Software and Programme Pilots

The entire cost of the programme is charged to income when the programme is first exploited. The inventory thus comprises of unamortized cost of such programmes. In case of Programme Pilots, the cost is expensed-off on first telecast or on after the review of

realisability.

21.4 Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

21.5 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

21.6 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of

non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

21.7 Depreciation

Depreciation on fixed asset is provided on Written down Value method at the rates and in the manner prescribed in schedule II of the Companies Act, 2013.

21.8 Revenue recognition

Advertisement revenue from sale of advertising time is recognized on the accrual basis when advertisements are telecast in accordance with contractual obligations.

21.9 Other Income

Interest income is recognised using the time proportion method, based on the transactional interest rates.

21.10 Fixed Assets & Capital Work-in-Progress

Tangible Fixed Assets

The Fixed assets are stated at cost less accumulated depreciation and impairment. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Cost includes capital cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/installation and attributable to bringing the asset to its intended use. Fixed assets are further adjusted by the amount of CENVAT credit available, wherever applicable. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on fixed assets is provided as per WDV basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Depreciation for the year is recognised in the Statement of Profit and Loss.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

Capital work-in-progress

Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use and outstanding advances paid to acquire fixed assets, at the balance sheet date.

21.11 Intangible Fixed Assets

The Intangible assets are stated at cost less accumulated depreciation and impairment. Cost includes capital cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/installation and attributable to bringing the asset to its intended use. Fixed assets are further adjusted by the amount of CENVAT credit available, wherever applicable.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

21.12 Foreign Currency Transactions

- a) Transactions in foreign currency are recorded at the rates of exchange in force at the time the transactions are effected. All monetary assets and liabilities denominated in foreign currency are restated at the year-end exchange rate. All nonmonetary assets and liabilities are stated at the rates prevailing on the dates of the transactions. Gains / (losses) arising out of fluctuations in the exchange rates are recognised as income / expense in the period in which they arise
- b) In the cases of exchange difference on reporting long term monetary items, the company has opted to avail the option provided under paragraph 46A of Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" inserted vide notification dated 29 December 2011. Consequently, the exchange differences arising on reporting of long term foreign currency monetary items on account of a depreciable asset is adjusted in the cost of depreciable asset and would be depreciated over the balance life of the asset.

In cases other than the depreciable assets exchange differences is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortized over the balance period of such long term asset or liability.
- c) Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investments.
- d) The Company does not have any outstanding foreign exchange forward contracts or other derivative instruments for the purpose of hedging the risk associated with foreign exchange exposures as at the year end.

21.13 Investments

Non Current investments are stated at cost or fair value whichever is lower. Long term investments are stated at cost. Provision for diminution in value of long term investment is made, if the diminution is other than temporary.

21.14 Employee Benefits

The company has contributed to employee's provident fund as per provisions of the Employee's Provident Fund Act, 1952 and is charged to Statement of Profit and Loss.

The company has contributed to employee's state insurance fund as per provisions of the ESI Act, 1948 and is charged to Statement of Profit and Loss.

As per the Company's policy, the gratuity is payable as per the provisions of the payment of Gratuity Act. Liability in respect of Gratuity is provided for on the basis of an actuarial valuation as at the date of Balance Sheet.

Bonus is paid and charged to Statement of Profit and Loss as per the provisions of "The Payment of Bonus Act, 1965".

21.15 Borrowing Costs

Borrowing cost that is attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of that asset when first put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

21.16 Segmental Reporting

In accordance with Accounting Standard -17 issued by the Institute of Chartered Accountants of India, the company's single business segment is broadcasting of news and related operations and it has no other primary reportable segment. The Company caters only to the needs of Indian markets hence there are no reportable geographical segments.

21.17 Operating Leases

The Company has taken broadcasting equipments under operating leases. These lease agreements are normally renewable on expiry. The rental expenses on operating leases are charged to Statement of Profit and Loss account.

21.18 Earnings Per Share (EPS)

The Company reports Basic Earning per equity share in accordance with the Accounting Standard-20 issued by the Institute of Chartered Accountants of India. Basic Earnings per equity share has been computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing the diluted earning per share comprises of the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares

that could have been issued on the conversion of all dilutive potential equity shares.

21.19 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in Statement of Profit or Loss except that tax expense related to items recognised directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent, the aforesaid convincing evidence no longer exists.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate.

21.20 Impairment of Assets

The carrying values of all assets are reviewed at each reporting date to determine if there is an indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is

recognized whenever the carrying amount of an asset, or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there is a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent the carrying amount of the asset that does not exceed the carrying amount that would have been determined net off depreciation or amortisation, if no impairment loss had been recognised.

21.21 Provisions, Contingent Liabilities and Contingent Assets

Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

Contingent Liabilities and Commitments

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow

of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

21.22 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

21.23 Miscellaneous Expenditure

Preliminary Expenses

Preliminary expenses are amortized over a period of ten years from the year of commencement of commercial operations.

- 22 The Company is engaged in business of Media and Entertainment . Such services are not capable of being expressed in any generic unit and hence, it is not possible to give the quantitative details required under paragraphs 5(viii)(c) of general instructions for preparation of the statement of profit and loss as per Schedule III to the Companies Act, 2013.

23. Contingent Liabilities and Commitments

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Contingent liabilities		
a) Claims against the Company not acknowledged as debt	Nil	Nil
b) Guarantees -Bank Guarantee given	63,90,000	63,90,000
c) Other money for which the Company is contingently liable	Nil	Nil

24. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

- Amount due and outstanding to suppliers as at end of accounting year;
- Interest paid during the year;
- Interest payable at the end of the accounting year; and
- Interest accrued and unpaid at the end of the accounting year have not been given.

25. The Deferred Tax Liability (Net) comprises of the following:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Opening Balance of Deferred Tax Liability (Net)	3,439,567	529,694
Related to Fixed Assets	475,968	2,650,772
Disallowance under the Income Tax Act	13,056	13,056
Related to Leave encashment & Gratuity	492,606	246,045
Deferred Tax Assets(Net)	4,421,197	3,439,567

26. Employee Benefits

As per Accounting Standard 15 (revised) 'Employees Benefits', the disclosures of employee benefits are given below:

a. Defined Contribution Plans :

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

Employer's Contribution to Provident Fund	:	Rs. 42,01,688 (Previous Year Rs. Rs. 40,89,615)
Employer's Contribution to ESI	:	Rs. 2,70,967 (Previous Year Rs. 3,00,558)

Defined Benefit Plans:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

a) Change in present value of obligation

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2016	March31,2015	March31,2016	March31,2015
Present value of obligation as at the beginning of the period	34,80,306	30,42,704	10,67,664	10,95,924
Current Service Cost	10,81,066	9,00,547	3,08,990	2,55,865
Interest Cost	2,69,724	2,35,810	82,744	84,934
Expected Return on Plan Assets	--	--	--	--
Benefits paid	(3,22,615)	(3,58,659)	--	--
Actuarial (gain)/loss	(14,778)	(3,40,096)	(1,33,553)	(3,69,059)
Past Service Cost	--	--	--	--
Curtailment and settlement Cost/(credit)	--	--	--	--
Present value of obligation as at the end of the period	44,93,703	34,80,306	13,25,845	10,67,664

b) Expense recognized in the statement of profit and loss account

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2016	March31,2015	March31,2016	March31,2015
Current service cost	10,81,066	9,00,547	3,08,990	2,55,865
Past service cost	--	--	--	--
Interest cost	2,69,724	2,35,810	82,744	84,934
Expected return on plan assets	--	--	--	--
Curtailment cost / (Credit)	--	--	--	--
Settlement cost / (credit)	--	--	--	--
Net actuarial (gain)/ loss recognized in the period	(14,778)	(3,40,096)	(1,33,553)	(3,69,059)
Expenses recognized in the statement of profit & losses	13,36,012	7,96,261	2,58,181	(28,260)

c) Actuarial gain/loss recognized

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2016	March31,2015	March31,2016	March31,2015
Actuarial gain/(loss) for the period – obligation	14,778	3,40,096	1,33,553	4,22,297
Actuarial gain/(loss) for the period - plan assets	--	--	--	--
Total (gain)/loss for the period	(14,778)	(3,40,096)	(1,33,553)	(4,22,297)
Actuarial (gain)/loss recognized in the period	(14,778)	(3,40,096)	(1,33,553)	(4,22,297)
Unrecognized actuarial (gains) losses at the end of period	--	--	--	--

d) The amounts to be recognized in balance sheet and related analysis

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2016	March31,2015	March31,2016	March31,2015
Present value of obligation as at the end of the period	44,93,703	34,80,306	13,25,845	10,67,664
Fair value of plan assets as at the end of the period	--	--	--	--
Funded status / Difference	(44,93,703)	(34,80,306)	(13,25,845)	(10,67,664)
Excess of actual over estimated	--	--	--	--
Unrecognized actuarial (gains)/losses	--	--	--	--
Net asset/(liability) recognized in balance sheet	(44,93,703)	(34,80,306)	(13,25,845)	(10,67,664)

e.) Actuarial Assumptions
i) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company:

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Discount Rate (%)	8.00	7.75	8.00	7.75
Expected Rate of increase in Compensation Levels (%)	5.50	5.25	5.50	5.25
Expected Rate of Return on Plan Assets	0.00	0.00	0.00	0.00
Expected Average remaining working lives of employees (years)	25.25	26.01	25.25	26.01

ii) Demographic Assumption

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2016	March31,2015	March31,2016	March31,2015
i) Retirement Age (Years)	60	60	60	60
ii) Mortality Table	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)
iii) Ages				
Up to 30 Years	3.00	3.00	3.00	3.00
From 31 to 44 years	2.00	2.00	2.00	2.00
Above 44 years	1.00	1.00	1.00	1.00

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employees benefits. Benefits such as salaries, wages and bonus, etc., are recognized in the statement of Profit and Loss in the period in which the employee renders the related service.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

27. As per Accounting Standard 18, 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules 2006, the disclosures of transactions with the related parties as defined therein are given below:

i) List of Related Parties:

Name	Relationship
B.A.G. Films and Media Limited	Holding Company
Anuradha Prasad	Key Managerial Personnel
ARVR Communications Pvt. Ltd.	Enterprises over which KMP are able to exercise significant influence
E24 Glamour Limited	Enterprises over which KMP are able to exercise significant influence
Skyline Radio Network Limited	Enterprises over which KMP are able to exercise significant influence
Skyline Tele Media Services Limited	Enterprises over which KMP are able to exercise significant influence

ii) Related Party Transactions:

(Amount in ₹)

Particulars	Holding Company		Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise significant influence	
	For Year Ended March 31,		For Year Ended March 31,		For Year Ended March 31,	
	2016	2015	2016	2015	2016	2015
Lease rental on Equipments	49,384,768	49,384,768	NIL	NIL	NIL	NIL
Income from Ad Sale	NIL	140,000	NIL	NIL	NIL	NIL
Programming Expenses	32,967,036	NIL	NIL	NIL	NIL	NIL
Expenses Reimbursed	36,476,286	40,610,622	NIL	NIL	12,218,132	13,298,534
Expenses Incurred	NIL	NIL	NIL	NIL	31,59,954	29,40,554

28. Earnings /(Loss) per share (EPS) in accordance with Accounting Standard-20 issued by Institute of Chartered Accountants of India

S. No.	Particulars	2015-16	2014-15
1	Net Profit /(Loss) after tax as per Statement of profit and loss account	22,789,463	13,548,383
2	Short provision for tax of earlier years	(2,992,095)	(9,306,431)
3	Net Profit /(Loss) attributable to Equity Shareholders	19,797,368	4,241,952
4	Net Profit/(Loss) before Exceptional Item	19,797,368	4,241,952
5	Weighted Average number of equity shares used as denominator for calculating Basic EPS	35,364,252	35,085,918
6	Basic Earnings per share	0.56	0.12

S. No.	Particulars	2015-16	2014-15
7	Weighted Average number of equity shares used as denominator for calculating Diluted EPS	53,560,553	53,006,192
8	Diluted Earnings per share	0.37	0.08
9	Basic Earnings (before exceptional item) per share	0.56	0.12
10	Diluted Earnings (before exceptional item) per share	0.37	0.08
11	Face Value per equity share	10.00	10.00

29. Previous year's figures have been regrouped/reclassified to be comparable with current year's classification/disclosures.

For Joy Mukherjee & Associates
Chartered Accountants
Firm Registration No. 006792C

Joy Mukherjee
Partner
Membership No. 074602

Place : Noida
Date : May 30, 2016

For and on behalf of the Board of Directors

Anuradha Prasad
(Director)
DIN: 00010716

Ajay Jain
CFO

Sudhir Shukla
(Director)
DIN: 01567595

Jyoti Lata
(Company Secretary)



NEWS24 BROADCAST INDIA LIMITED

Corporate Office: FC-23, Sector-16A,
Film City, Noida - 201 301 (U.P.)