

NETWORK18 MEDIA & INVESTMENTS LIMITED
Part I: Statement of Standalone and Consolidated Audited Results for the Year Ended 31.03.2012

(All amounts in Rs. Lakhs)

Particulars	Consolidated		Standalone	
	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2012	Year ended 31.03.2011
	(Audited)	(Audited)	(Audited)	(Audited)
1. Income from operations				
(a) Income from operations	193,026.86	146,156.96	18,321.12	3,990.66
(b) Other operating income	1,356.41	1,631.57	271.47	153.08
Total Income from operations	194,383.27	147,788.53	18,592.59	4,143.74
2. Expenses				
(a) Programming cost	52,040.44	20,454.83	-	-
(b) Distribution, advertising and business promotion	60,721.64	35,815.32	3,563.31	485.51
(c) Cost of Material Consumed	1,781.01	2,990.62	1,303.27	-
(d) Employee benefit expenses	45,265.95	34,071.98	10,157.07	1,344.54
(e) Depreciation and amortisation expenses	6,136.75	6,172.50	881.51	51.36
(f) Other expenditure	63,490.86	42,500.13	15,287.12	3,780.81
Total Expenses	230,336.65	151,005.38	31,192.28	5,662.22
3. Loss from operations before other income, finance costs, prior period items and tax (1-2)	(35,953.38)	(3,216.85)	(12,599.69)	(1,518.48)
4. Other Income	13,276.34	21,467.24	7,872.05	2,578.10
5. Loss before finance costs, prior period items and tax (3+4)	(22,677.04)	18,250.39	(4,727.64)	1,059.62
6. Finance costs	27,066.62	22,584.16	13,068.01	8,164.93
7. Loss after finance costs but before exceptional items, prior period items and tax (5-6)	(49,743.66)	(4,333.77)	(17,795.65)	(7,105.31)
8. Exceptional Items	-	1,080.34	-	-
9. Prior period expenses	-	-	1,325.64	(67.55)
10. Loss before tax (7-8-9)	(49,743.66)	(5,414.11)	(19,121.29)	(7,037.76)
11. Tax expense/(credit)	724.23	3,313.50	71.76	(125.00)
12. Net Loss after tax (10+11)	(50,467.89)	(8,727.61)	(19,193.05)	(6,912.76)
13. Minority Interest	(11,172.77)	(5,059.19)	-	-
14. Share in profit of associates	28.76	-	-	-
15. Net loss after tax, minority interest and share in (profit)/ loss of associate (12-13+14)	(39,266.36)	(3,668.42)	(19,193.05)	(6,912.76)
16. Paid-up Equity Share Capital (Face value Rs. 5/-)	7,144.00	5,944.78	7,144.00	5,944.78
17. Reserves excluding revaluation reserves	9,555.26	83,115.64	80,744.43	83,217.39
18. Loss per share (EPS)				
(a) Basic EPS	(26.82)	(3.17)	(13.11)	(5.97)
(b) Diluted EPS	(26.82)	(3.17)	(13.11)	(5.97)

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NETWORK18 MEDIA & INVESTMENTS LIMITED

Part I: Statement of Standalone and Consolidated Audited Results for the Year Ended 31.03.2012

Part II: Select Information for the year ended 31.03.2012				
Particulars	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2012	Year ended 31.03.2011
A. PARTICULARS OF SHAREHOLDING				
1. Public shareholding				
(a) Number of shares	72,089,827	50,360,270	72,089,827	50,360,270
(b) Percentage of shareholding	50.45%	42.35%	50.45%	42.35%
(c) Face value per share (Rs.)	5/-	5/-	5/-	5/-
2. Promoter and promoter group shareholding				
a) Pledged/Encumbered				
-Number of shares	48,195,748	30,683,109	48,195,748	30,683,109
-Percentage of shares (as a % of the total shareholding of promoter)	68.08%	44.77%	68.08%	44.77%
-Percentage of shares (as a % of the total share capital of the Company)	33.73%	25.81%	33.73%	25.81%
b) Non-encumbered				
-Number of shares	22,594,341	37,852,262	22,594,341	37,852,262
-Percentage of shares (as a % of the total shareholding of promoter)	31.92%	55.23%	31.92%	55.23%
-Percentage of shares (as a % of the total share capital of the Company)	15.82%	31.84%	15.82%	31.84%

Particulars	Year ended 31.03.2012
B. INVESTOR COMPLAINTS	
Pending at the beginning of the year	-
Received during the year	10
Disposed of during the year	10
Remaining unresolved at the end of the year	-

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED (STANDALONE)		
Particulars	Year ended 31.03.2012 (Unaudited)	Year ended 31.03.2011 (Audited)
Segment Revenue		
a) Event Management	2,912.85	2,250.05
b) Sports Management	1,559.46	1,554.71
c) Web Operations	3,436.20	-
d) Advisory Services	106.86	303.09
e) Publishing Business	10,756.31	-
Total	18,771.68	4,107.85
f) Other unallocable revenue	26.59	35.89
g) Less: Inter segment revenue	205.68	-
Net Sales/Income from Operations	18,592.59	4,143.74
Segment Results		
Loss before tax and Interest		
a) Event Management	(341.85)	(179.25)
b) Sports Management	(246.80)	(303.21)
c) Web Operations	(3,227.01)	-
d) Advisory Services	(396.97)	(37.76)
e) Publishing Business	(7,326.67)	-
Total	(11,539.30)	(520.22)
Less : 1) Interest	13,068.01	8,164.93
2) Other un-allocable Expenses (net)	2,412.63	1,036.16
3) Other un-allocable Income	(7,898.65)	(2,683.95)
Total profit before tax	(19,121.29)	(7,037.36)
Capital employed		
(Segment Assets-Segment Liabilities)		
a) Event Management	(683.64)	(317.06)
b) Sports Management	(791.53)	(613.74)
c) Web Operations	(8,034.86)	-
d) Advisory Services	(646.12)	(237.05)
e) Publishing Business	(2,670.40)	-
f) Unallocated	115,977.03	119,199.37
Total capital employed	103,150.48	118,031.52

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NETWORK18 MEDIA & INVESTMENTS LIMITED
AUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE YEAR ENDED MARCH 31, 2012
Segment wise Revenue, Results and Capital Employed

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
	(Audited)	(Audited)
Segment Revenue		
(a) Media operations	171,622.12	143,960.91
(b) Film Production and Distribution	19,581.18	978.02
(c) Others	3,481.45	3,920.04
Total	194,684.75	148,858.97
(d) Other unallocable revenue	13,276.40	20,600.59
(e) Inter segment revenue	(301.34)	(450.74)
Total Revenue	207,659.81	169,008.82
Segment Results		
Profit/(loss) before interest and tax for each segment		
(a) Media operations	(33,262.22)	(1,154.69)
(b) Film Production & Distribution	(291.01)	(402.68)
(c) Others	(5.97)	223.64
Total	(33,559.20)	(1,333.73)
Less:		
(d) Interest expense	27,066.62	22,584.16
(e) Other unallocable expenditure (net of unallocable income)	(10,872.16)	(18,503.78)
Total Profit/(loss) Before Tax	(49,753.66)	(5,414.11)
Capital Employed		
(Segment Assets – Segment Liabilities)		
(a) Media operations	172,105.31	237,392.10
(b) Film Production & Distribution	29,960.30	19,229.86
(c) Others	1,463.60	1,639.70
Total	203,529.21	258,261.66
(d) Unallocable Assets less Liabilities	(134,475.34)	(73,064.68)
Total Capital Employed	69,053.86	185,196.98

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NETWORK18 MEDIA & INVESTMENTS LIMITED

Disclosure of assets and liabilities as per clause 41(1)(ea) of the listing agreement as on 31 March 2012

(Rs. In Lakhs)

Particulars	As on 31.03.2012	As on 31.03.2011	As on 31.03.2012	As on 31.03.2011
EQUITY AND LIABILITIES	Consolidated	Consolidated	Standalone	Standalone
SHAREHOLDERS FUNDS:				
i. Share capital	22,570.56	21,371.35	22,570.56	21,371.35
ii. Share pending allotment	183.97	-	183.97	-
iii. Share in Preference Share Capital of Joint Ventures	-	2,196.78	-	-
Reserves and surplus	9,555.26	83,115.64	80,744.43	84,771.65
Share application money pending allotment	-	40.14	-	3.68
Minority Interest	36,744.08	78,473.07	-	-
Non Current Liabilities				
i. Loan Funds	59,257.68	59,292.70	8,373.72	24,789.72
ii. Deferred Tax Liability	5.99	128.56	-	-
iii. Trade payables	0	-	-	-
iv. Other long term liabilities	1,248.19	1,113.18	551.71	398.09
v. Long-term provisions	15,614.73	1,758.91	24,231.17	154.99
Current Liabilities				
Short-term borrowings	110,366.12	88,167.93	50,562.50	11,974.65
Trade payables	45,643.15	39,609.06	8,171.07	1,539.75
Other current liabilities	85,095.15	47,484.11	62,449.81	11,706.01
Short-term provisions	721.31	1,451.31	279.01	7.33
Total	387,006.18	424,202.74	258,117.95	156,717.22
ASSETS				
Non Current Assets				
i. Fixed Assets	26,258.97	21,512.61	2,559.44	269.31
ii. Goodwill on consolidation	116,578.00	132,706.04	-	-
iii Non-current investments	31,422.26	37,375.44	179,205.24	100,792.88
iv. Deferred tax assets (net)	343.59	942.64	-	-
v. Long-term loans and advances	65,728.25	10,605.00	58,495.40	1,875.44
vi. Non-current inventories	19,647.90	31,091.56	-	-
vii. Trade receivables	153.51	140.81	138.15	-
viii Other non-current assets	2,294.32	4,808.93	506.24	-
Current Assets				
i. Current investments	-	31,046.42	-	28,302.45
ii. Inventories	11,924.49	4,297.91	186.92	-
iii. Trade receivables	55,641.31	51,891.82	4,753.77	789.79
iv. Cash and cash equivalents	17,066.20	44,304.36	2,912.66	9,124.34
v. Short-term loans and advances	37,045.22	50,449.71	8,150.40	14,735.69
vi. Other current assets	2,902.16	3,029.49	1,209.73	827.32
Total	387,006.18	424,202.74	258,117.95	156,717.22

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NETWORK18 MEDIA & INVESTMENTS LIMITED

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2012

Notes:

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of Network18 Media & Investments Limited ('the Company') at the respective meetings held on August 4, 2012.

2. The Statutory Auditors of the Company have audited the above standalone and consolidated financial results for the year ended March 31, 2012.

3. This statement of financial results has been prepared by applying the accounting policies as adopted in the last audited annual financial statements for the year ended March 31, 2011.

4. The Board of Directors of the Company, on 7 July 2010 approved a Scheme of Arrangement ("the Scheme") with an overall objective of simplifying the corporate structure of the Company and its subsidiaries, associates and joint ventures (together referred to as the "Network18 Group"). The Scheme has been approved by Hon'ble High Court of Delhi made effective on 10 June 2011 with an appointed date of 1 April 2010. As a consequence of the Scheme, "Business News Operations" comprising of 'CNBC TV18' and 'CNBC Awaaz' channels and teleport business of Television Eighteen India Limited ("TV18"), a subsidiary of the Company, has been transferred to another subsidiary - 'bn18 Broadcast Limited (now known as TV18 Broadcast Limited). The remaining TV18 (post demerger of "Business News Operations" of TV18) along with its investments stands merged with the Company. Further, a consideration of the merger of the residual TV18 with the Company, on 23 June 2011, the Company had issued 23,695,044 equity shares to the shareholders of TV18 (in the ratio of 13 equity shares of Rs. 5 for every 100 equity shares in TV18 of Rs. 5). In addition, in accordance with the Scheme, 'the Web Undertakings' of Web18 Software Services Limited and Television Eighteen Commoditiescontrol.com Limited, Care Websites Private Limited and Network18 India Holdings Private Limited have been merged into the Company. Based on accounting prescribed in the Scheme, the Company has fair valued its assets and liabilities and debited Rs. 63,346.91 lakhs, the resultant impact to the Securities Premium Account, which otherwise as per Accounting Standards would have been debited to the Statement of Profit and Loss in the relevant previous years. If the said amount would have been debited to the Statement of Profit and Loss instead of debiting the Securities Premium Account, the loss for the year ended 31 March 2012 would have increased from Rs.19,193.05 lakhs to Rs. 82,539.96 lakhs representing a 330.05% increase and balance of Securities Premium Account would have increased from Rs 115,294 lakhs to 178,641.01 lakhs representing a 54.94% increase.

5. During the year, the Hon'ble High Court of Delhi approved the Scheme of Arrangement ('the Infomedia Scheme') between the Company and Infomedia Press Limited (former Infomedia 18 Limited) ("Infomedia18") and their respective shareholders and creditors vide its order dated May 22, 2012 (read with orders dated May 3, 2012, February 14, 2012 and November 22, 2011). The Infomedia Scheme has been made effective on June 1, 2012 with an appointed date of April 1, 2010.

Pursuant to the Infomedia Scheme, the Business Directories business, the New Media business and the Publishing business of Infomedia 18 stands demerged into the Company. The Printing Press business continues to remain with Infomedia18.

Further, in consideration of the merger of the demerged undertaking of Infomedia 18 with the Company, on June 19, 2012, the Company has issued and allotted 3,679,356 equity shares to the shareholders of Infomedia18 at par on a proportionate basis in the ratio of 7:50 i.e., seven fully paid-up equity shares of Rs 5/- each of the Company have been issued for every fifty fully paid-up equity shares of Rs 10/- each of Infomedia18.

Since the effective date is June 1, 2012, the effect of the Infomedia Scheme was not given in the standalone and consolidated unaudited financial results of the Company for any of the quarters in the year ended March 31, 2012 and has been given in the audited standalone financial statements of the Company for the year ended March 31, 2012. Accordingly, the standalone and consolidated results of the Company for the current year are not comparable with those of the previous year. In addition, consequently the aggregate of the standalone and consolidated unaudited financial results of the company for the previous year are not comparable with those of the corresponding audited amounts for the year ended March 31, 2012.

6. The Board of Directors, at their meeting held on January 3, 2012 decided to raise Rs. 270,000 lakhs by issuing shares on rights basis, inter alia for (a) Investment in our subsidiary TV18 Broadcast Limited (b) repayment/prepayment of certain loans, redemption of Secured Optionally Fully Convertible Debentures, redemption of Preference shares and repayment of public deposits and (c) general corporate purposes. The Draft Letter of Offer ("DLOO") for the aforesaid Rights Issue has been filed with Securities and Exchange Board of India ("SEBI") and the necessary approval is awaited. Further terms and conditions of the proposal of rights issue including the possible issue price and size and other relevant details shall

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be decided by the Board, subject to necessary approval of SEBI and Stock Exchanges and other appropriate authorities, in consultation with, inter alia, the Lead Manager, Legal Advisors and other experts. The issue price shall not exceed Rs. 60/- (Rupees sixty only) per equity share which will be fixed keeping in view the then prevailing market conditions and in accordance with the applicable provisions of laws, rules, regulations and guidelines.

The Board of Directors of a subsidiary company (TV18 Broadcast Limited), at their meeting held on January 3, 2012, have considered and approved the issues of its equity shares on a rights basis for an amount aggregating to Rs. 270,000 lakhs for acquisition of ETV channels and repayment of certain loans. The DLOO for the Rights Issue of TV18 Broadcast Limited has also been filed with SEBI and the necessary approval is awaited.

7. The Company raised Rs. 20,389.90 lakhs through Rights Issue of Partly Convertible Cumulative Preference Shares (PCCPS) and out of that Rs. 20,282.65 lakhs has been utilized till March 31, 2012 for the objects for which it was raised and the balance funds are temporarily invested with certain banks. Further pursuant to the Scheme, an amount of Rs. 325.56 lakhs raised in the Rights issue of erstwhile TV18 was transferred to the Company and the same has been fully utilised till December 31, 2012 for the objects for which it was raised.

8. The Company, on June 15, 2011, has allotted 18,691,585, 10% Secured Optionally Fully Convertible Debentures (SOFCDs) at the par value of Rs.160.50, to promoter group entities on a preferential basis. The holder(s) of SOFCDs would have a right to convert each SOFCD into one equity share of Rs. 5 each in the Company. However, the holders of these instruments have given their respective undertaking that they will not convert the SOFCDs into equity shares.

9. The audit/review reports on annual/quarterly results for previous year/periods carried certain qualifications / reservations which have been resolved by, inter alia, the adjustments in (4) above, except for the following which continue to be reported by the auditors in their limited review report on the above financial results:

- (i) Managerial remuneration paid, upto March 31, 2012, by the Company amounting to Rs. 201.00 lakhs (upto March 31, 2011: Rs. 152.04 lakhs) and by one of its subsidiaries amounting to Rs. 167.12 lakhs is in excess of the limits prescribed under the Companies Act, 1956 ("the Act"). The Company and its subsidiary are in the process of obtaining the necessary approvals as per the Act.
- (ii) The income tax demand of Rs. 529.22 lakhs (as at March 31, 2011: Rs. 529.22 lakhs) received by a subsidiary, Infomedia18, which continues to be disputed by Infomedia18. Infomedia18 has filed an appeal before the higher authority and also has been legally advised that the possibility of matter being decided in favour of Infomedia18 is more likely than not.

10. During the year ended March 31, 2012, the Company exercised the option granted by notification G.S.R. 914(E) dated December 29, 2011 issued by the Ministry of Corporate Affairs. Accordingly, the exchange differences arising on revaluation of long term foreign currency monetary items, other than for acquisition of fixed assets, is being amortised over the maturity period of such monetary items. The unamortised balance in Foreign Currency Monetary Item Translation Difference account as on March 31, 2012 is a debit of Rs. 1,138.05 lakhs.

11. The consolidated financial results include the results of the Company and all of its subsidiaries, joint ventures and associates.

12. Previous year/period figures have been regrouped, wherever necessary, to confirm to current period's presentation.

Place : Noida
Dated: August 4, 2012

For **NETWORK18 MEDIA & INVESTMENTS LIMITED**


Raghuvar Bahl
Managing Director

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