

ANNUAL REPORT

2010 - 2011



INDIA'S No.1 NEWS NETWORK



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BOARD OF DIRECTORS

Aroon Purie, Chairman & Managing Director

Koel Purie Rinchet, Whole Time Director

Anil Mehra

Anil Vig

Rakesh Kumar Malhotra

Rajeev Thakore

Ashok Kapur

Audit Committee

Rakesh Kumar Malhotra, Chairman

Anil Mehra

Rajeev Thakore

Chief Executive Officer

G. Krishnan

GM (Legal & F & A) & Company Secretary

Puneet Jain

Auditors

Price Waterhouse

Chartered Accountants

New Delhi

Bankers

Canara Bank

ICICI Bank Limited

Registered Office

Videocon Tower

E-1, Jhandewalan Extn.

New Delhi - 110 055

Registrar & Transfer Agents

MCS Limited

F- 65, Okhla Industrial Area

Phase-I, New Delhi-110 020

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the Twelfth Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March 2011.

1. Financial Results

The financial results of the Company for the year ended 31st March 2011 are summarized below for your consideration.

(Rs. in Crores)

Particulars	Year Ended 31 st Mar'11	Year Ended 31 st Mar'10
Income from operations	293.26	284.82
Other income	9.54	23.10
Profit before Finance, Charges, Amortization, Depreciation and Tax	35.40	75.13
Finance Charges (Including Interest)	0.95	7.05
Depreciation	16.01	21.10
Profit before tax	18.45	46.98
Provision for Tax	6.03	16.12
Net Profit	12.42	30.86
Balance amount brought forward	155.10	134.30
Profit Available for appropriation	167.52	165.17
Transferred to General Reserve	0.65	5.00
Proposed Dividend	4.46	4.33
Corporate Dividend Tax	0.72	0.74
Balance Carried forward	161.68	155.10

2. Performance

During the financial year under review, your Company's revenue from operations has been Rs.293.26 Crores compared to Rs. 284.82 Crores last year, Profit after tax was lower at Rs.12.42 Crores compared to Rs. 30.86 Crores last year.

Your company's business model is such that it mainly depends on Ad Revenues. Your Company due to its Channel's impeccable reputation and leadership position of the flagship channel "AAJ TAK", and confidence reposed by its viewers and clients managed to achieve a reasonably satisfactory performance.

In recognition of its leadership position, your Company's Channels have been conferred with the following prestigious awards:

News Television Awards 2011

- Best Crime Show (Hindi) – Vardaat (Aaj Tak)
- Best Entertainment Show (Hindi) – Bheja Fry (Tez)
- Best Promo – Raksha Bandhan (Dilli Aaj Tak)
- Best Investigative Feature – Honour Killers in Uniform (Headlines Today)
- Best Prime Time Newscast – HT questions Journalist Ethics

Laadli Media Awards 2011

- Best News Feature - Branded a Witch, Hunted for Life (Headlines Today)

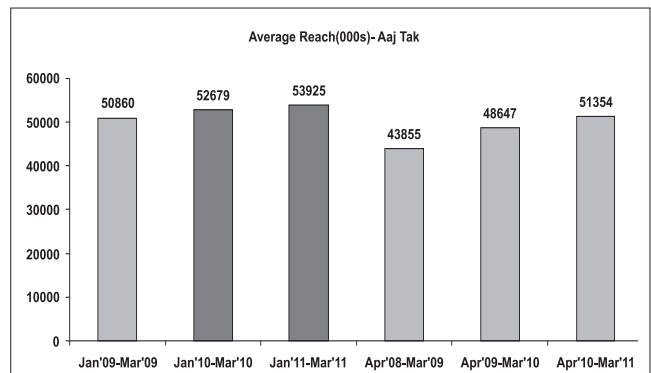
Indian Television Academy Award 2010

- **Best Hindi News Channel – Aaj Tak**

AAJ TAK

Aaj Tak continued to maintain its leadership position for the 10th consecutive year despite intense competition in the Hindi news genre. Viewers reposed confidence in Aaj Tak for the 10th consecutive year due to its editorial excellence, fair and unbiased reporting, launch of new innovative News shows catering to different segments of society and a motivated team of well-qualified professionals.

In spite of intense competition and a cluttered news space, Aaj Tak continues to dominate by being the channel of choice during key events. Whether it's a national or an international event, the credibility of Aaj Tak is unmatched.



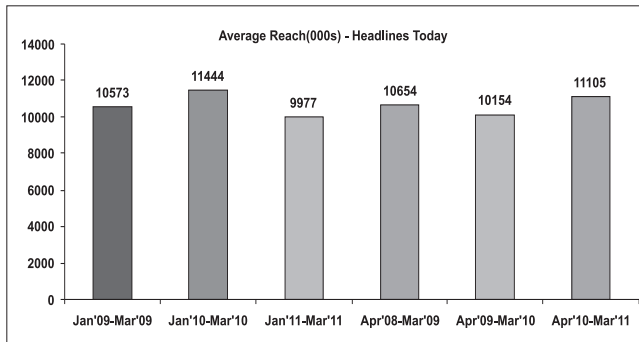
Source : TAM
TG : CS 4+ Yrs
Market : All India (AT;TEZ;HLT) & Delhi(DAT)

HEADLINES TODAY

2010-11 was a year of consolidation and perception building for Headlines Today. The past year established Headlines Today as a force when it came to investigative and incisive news reporting.

Headlines Today have led from the front breaking stories of national and international importance.

Headlines Today Reach has grown to 11.1million in 2010-11 as compared to 10.15 million in 2009-10.

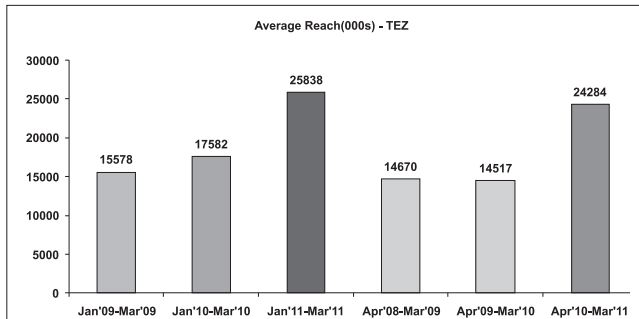


(Source: TAM
TG: CS 4+ Yrs
Market: All India (AT; TEZ; HLT) & Delhi (DAT))

TEZ

Tez was launched to cater to those viewers who have little time and want condensed news in quickest possible way, mostly in the target group of male, 25-44 years; Tez retained its ratings over the preceding year with both reach and time spent also going up considerably

In the full year of operation ended March 31, 2011, "Tez" had reached 24.28 Million viewers as compared to 14.51 million last year. During the quarter January-March 2011, the reach of "Tez" was 25.83 million compared to 17.58 million during the same quarter last year.

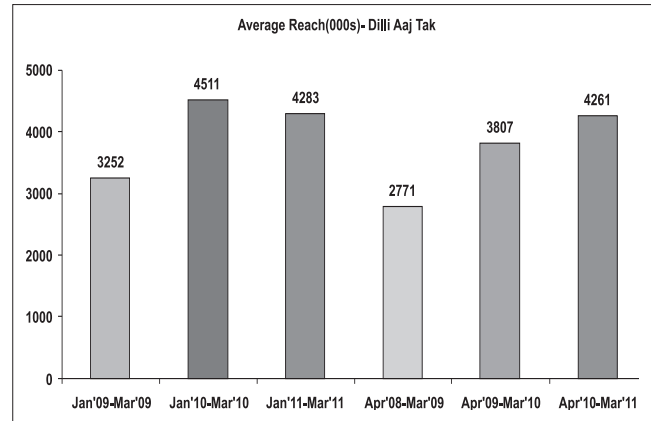


(Source: TAM
TG: CS 4+ Yrs
Market: All India (AT; TEZ; HLT) & Delhi (DAT))

DILLI AAJ TAK

Dilli Aaj Tak is TV Today's only metro centric 24 hrs news channel. In the course of its five year journey so far since the launch in 2006, the channel has not only redefined local news coverage but also acted as an objective & positive catalyst in bringing out changes that affect the lives of people of Delhi & NCR. The channel's news radar has always picked issues ranging from daily water-power crisis to local body polls, assembly & parliament elections & very big events like commonwealth games & their impact on overall capital canvas. Through its performance year after year it has carved a niche when compared with national broadcasters. It has truly lived its catch line "Aap Ka Shahr Aap Tak" by consolidating its connect with viewers by raising their issues, their problems through live & interactive programming & emerging as an aggressive & unbiased campaigner for a decent life in a metropolitan space like Delhi.

The channel has a news-you-can-use format, and has been No.1 in Delhi since the date of its launch in Delhi with an average viewership of 4.26 million in 2010-11 as compared to 3.80 million in 2009-10. **During the quarter January-March 2011, the reach of "Dilli Aaj Tak" was 4.28 million compared to 4.51 million during the same quarter last year.**



(Source: TAM
TG: CS 4+ Yrs
Market: All India (AT; TEZ; HLT) & Delhi (DAT))

3. Dividend

Your directors are pleased to recommend for your consideration and approval payment of dividend @ 15% amounting to Rs. 0.75 per equity share of Rs. 5/- each for the financial year 2010-11. Total amount of dividend outgo for the financial year shall be Rs. 5.18 Crores (including Corporate Dividend Tax amounting to Rs. 0.72 Crores).

4. Deposits

During the year, your Company has not accepted/renewed deposits from the Public within the meaning of Section 58A, 58AA and other relevant provisions of the Companies Act, 1956, if any.

5. Directors

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association of your Company, Mr. Anil Mehra and Mr. Rajeev Thakore, Directors, liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Your directors recommend re-appointment of Mr. Anil Mehra and Mr. Rajeev Thakore as Directors on the Board of the Company.

6. Director's Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors' subscribe to Directors' Responsibility Statement and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- they had selected such accounting policies and applied them consistently and made judgement and

estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2010-11 and of the profit of the company for that period;

- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the annual accounts had been prepared on a going concern basis.

7. Subsidiary Company

The Audited Statement of Accounts, alongwith the report of the Board of Directors and the Auditor's Report pursuant to Section 212 of the Companies Act, 1956 of the wholly owned subsidiary Company, TV Today Network (Business) Limited, for the year ended on 31st March 2011 is annexed.

8. Consolidated Accounts

In accordance with the requirement of Accounting Standard 21 of the Institute of Chartered Accountants of India to present consolidated accounts, your Company, in compliance with the said requirement has prepared the consolidated Accounts which is annexed herewith.

9. Investments

Your Company has made a strategic investment in Mail Today Newspapers Pvt. Ltd for which it has acquired some stake amounting to Rs. 45.50 Crore during the year ended March 31, 2011. This investment is towards considering a foray into the Print Media utilizing the synergies of content and brand. The same has been further elaborated in Note no. 11 of the Financial statement which is self explanatory.

10. Auditors

The statutory auditors of your Company M/s Price Waterhouse, Chartered Accountants holds office up to the conclusion of the forthcoming Annual General Meeting and have offered themselves for re-appointment. They have confirmed that, if re-appointed, their appointment would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956. Your directors recommend their re-appointment as Statutory Auditors of the Company.

11. Auditor's Report

There are no qualifications of the Auditors on the Accounts of the Company for the financial year ended 31st March 2011 requiring further comment from the Board of Directors.

12. Corporate Governance

In accordance with Clause 49 of the listing agreement, your Company has ensured continued compliance of Corporate Governance requirements during the financial

year. Your Company lays strong emphasis on transparency, disclosure and independent supervision to increase various stakeholders' value.

The report on Corporate Governance for the financial year 2010-11 is given as a separate section titled "Report on Corporate Governance" and Certificate of Company Secretary in Practice as required under the revised Clause 49 of the listing agreement is appended herewith which forms part of this Annual Report.

13. Employees Stock Option Plan

Human Resource is the key to the success of any organization. The Company has always valued its human resources and has tried to adopt the best HR practices. To retain and nurture well-performing employees who are contributing to the growth of the Company, your Company introduced stock option plan (ESOP) for its employees and Directors in 2006. The disclosures in compliance with clause 12 of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as amended) are set out in the Annexure appended herewith.

A certificate from Statutory Auditors, with regard to the implementation of the Company Employees' Stock Option Scheme, would be placed before the shareholders in the next Annual General Meeting, and a copy of the same shall be available for inspection at the registered office of the Company.

14. Management Discussion and Analysis

Separate report on Management Discussion & Analysis is appended herewith.

15. The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

In terms of the requirement of clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars with respect to "Conservation of Energy, Technology Absorption and foreign exchange earnings and outgo" are given as under:

(a) Conservation of Energy	: Not Applicable
(b) Technology Absorption	: Not Applicable
(c) Transaction in Foreign Currency :	
i) Value of Imports	: Rs. 21,134,543
(CIF basis)	
ii) Expenditure in foreign currency (Accrued basis)	
(a) Traveling Expenses	: Rs. 14,338,051
(b) Production Cost	: Rs. 96,010,286
(c) Repair and Maintenance	: Rs. 3,026,682
(d) Others	: Rs. 15,876,959
(d) Income in foreign currency	: Rs. 82,547,314
(Accrued basis)	



16. Particulars of Employees

Particulars of Employees as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 (as amended) is annexed hereto and forms part of this report.

17. Acknowledgement

Your Directors place on record their deep appreciation of the contribution made by all section of employees with dedication, commitment and team effort which helped your Company in achieving the performance during the year despite stiff competition from the existing as well as new players in the news and current affairs genre.

Your Directors also acknowledge with thanks the support given by the Central Government, bankers, shareholders and investors at large and look forward to their continued support.

For and on behalf of the Board of Directors

Place : New Delhi
Date : May 30th, 2011

Sd/-

Anil Mehra
Director

Sd/-

Aroon Purie
*Chairman &
Managing Director*

Note: As per the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, read with amended Clause 32 of the Listing Agreement with the Stock Exchanges, the Annual Report is being sent to all shareholders of the Company excluding Particulars of Employees under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Company's New Delhi office at Videocon Tower, E-1, Jhandewalan Extension Delhi-110 055.

INFORMATION REGARDING THE EMPLOYEES STOCK OPTION PLAN (As on March 31, 2011)

Sl. No.	Particulars	First Grant	Second Grant	Third Grant	Fourth Grant	Fifth Grant	Sixth Grant	Seventh Grant
I	Date of Grant	December 01, 2006	March 01, 2007	December 01, 2007	June 24, 2008	April 05, 2010	May 20, 2010	September 30, 2010
II	Market value on date of grant of the underlying equity shares	Rs. 74.35	Rs. 134.85	Rs. 152.75	Rs. 93.15	Rs. 113.90	Rs. 102.85	Rs. 85.15
III	Exercise Price (50% of options) (Balance 50% of options)*	Rs. 74.35 Rs. 44.35	Rs. 134.85 Rs. 104.85	Rs. 152.75 Rs. 122.75	Rs. 93.15 Rs. 63.15	Rs. 113.90 Rs. 83.90	Rs. 102.85 Rs. 72.85	Rs. 85.15 Rs. 55.15
IV	Vesting Period	4 years	4 years	4 years	4 years	4 years	4 years	4 years
a	Options Granted (NET OF OPTIONS CANCELLED)	1,90,500	55,000	15,000	104,000	21,500	37,500	200,000
b	Pricing Formula	50% of options are granted at the market price and balance 50% of the options at a discount to the market price. Discount shall vary from Rs. 0 to Rs. 30/- depending upon the meeting of the performance criteria by the employee from year to year.						
c	Option Vested	45,500	NIL	NIL	NIL	NIL	NIL	NIL
d	Option Exercised	45,500	NIL	NIL	NIL	NIL	NIL	NIL
e	Number of shares arising as a result of exercise of option	45,500	NIL	NIL	NIL	NIL	NIL	NIL
f	Option Lapsed	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g	Variation of terms of options	NA	NA	NA	NA	NA	NA	NA
h	Money realized by exercise of options	27,22,925	NA	NA	NA	NA	NA	NA
i	Total number of options in force	1,45,000	55,000	15,000	1,04,000	21,500	37,500	2,00,000
j	Employee-wise details of options granted to i) Senior Management Personnel	<ol style="list-style-type: none"> 1. Q.W Naqvi - News Director - 45,000 options 2. Rajnish Rikhy - Senior VP -Ad Sales - 45,000 options 3. Sanjay Jain - VP Finance - 3,000 options (resigned) 4. Rinku Paul - GM - Ad Sales - 15,000 options 5. Nikita Tulsian - GM Ad Sales - 15,000 options 6. Satyaky Chowdhury - GM Ad Sales - 15,000 options 7. Rehan Kidwai-VP Operations - 15,000 options 8. Prince Sharma - VP Technology - 22,500 options 9. Amitabh - Executive Prod - 15,000 options 10. Rajmohan Nair - VP Network - 45,000 options 11. Bijo - GM Ad Sales - 10,000 options 12. Shailesh Kumar - Executive Prod - 15,000 options 13. Rahul Kanwal - Executive Producer - 15,000 options 14. Denzil O'Connell - Associate Exec Prod - 9,000 options 15. Ritul Joshi - Deputy Editor - 7,500 options 16. Sonia Singh - Senior Special Correspondent - 7,500 options 17. Sahil Joshi - Bureau Chief - 7,500 options 18. Deepak Sharma - Editor - 7,500 options 19. Shams Tahir Khan - Editor - 7,500 options 20. Vikrant Gupta- Editor - 7,500 options 21. Gautam Roy - Senior Special Correspondent - 7,500 options 22. Avantika Singh Associate Senior Producer - 7,500 options 23. Samip Rajguru Senior Special Correspondent - 5,000 options 24. Sanjiv Chauhan - Special Correspondent - 5,000 options 25. Prateek Trivedi - Special Correspondent - 5,000 options 26. Nida Khan - Associate Senior Producer - 5,000 options 						



T.V. Today Network Limited

		27. Mandeep Bevil - Associate Executive Producer - 9,000 options 28. Manish Dubey - Editor - 7,500 options 29. Ruchika Tomar - Principal Correspondent - 5,000 options 30. Ajay Kumar - Executive Producer - 15,000 options 31. Abhisar - Deputy Editor - 7,500 options 32. Poonam Sharma - Deputy Editor - 7,500 options 33. Gaurav Sawant - Associate Editor - 7,500 options 34. G. Krishnan - Chief Executive Officer - 100,000 options 35. Anil Mehra - Director - 100,000 options (Out of above, 45,500 options have been exercised as mentioned under Sl. No. d)						
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;	None.						
	iii) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant.	None.						
k	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with accounting Standard (AS) 20 'Earning Per Share'.	Rs. 2.15						
l	In case, the employees compensation cost is calculated on the basis of intrinsic value of stock option, the difference between the employees compensation of the stock option cost based on intrinsic value of the stock and the employees compensation of the stock option cost based fair value, and the impact of this difference on profits and on EPS of the Company.	The Company has used intrinsic value method for calculating the employee compensation cost with respect to the Stock Options. If the employee compensation cost for the ESOP had been determined in a manner consistent with the fair value approach the Stock Option compensation expenses would have been higher by Rs. 3.58 million. Consequently, the profit would have been Rs. 120.62 million instead of the current profit of Rs. 124.19 million and the EPS of the Company would have been (Rs. 2.09) instead of (Rs. 2.15).						
m	For options whose exercise price either equals or exceeds or is less than the market price of the stock the following are disclosed separately: a) Weighted average exercise price i) when the exercise price is equal to market price ii) when the exercise price is less than market price b) Weighted average fair value i) when the exercise price is equal to market price ii) when the exercise price is less than market price	Rs. 89.58 Rs. 75.10 Rs. 56.79 Rs. 63.16						
n	A description of the method and significant assumptions used during the year to estimate the fair value of options, including the following weighted-average information: i) risk-free interest rate; ii) expected life; iii) expected volatility; iv) expected dividends; and v) the price the underlying shares in the market at the time of option grant.	7.35% 10 years 48.28% 1.01% 74.35	7.87% 10 years 55.44% 0.56% 134.85	8.07% 10 years 51.27% 0.49 % 152.75	8.83% 10 years 58.35% 0.83 % 93.15	8.09% 10 years 54.44% 0.66% 113.90	7.94% 10 years 52.40% 0.74% 102.85	8.10% 10 years 43.13% 0.89% 85.15

* Maximum discount of Rs. 30/- which may vary between Rs. 0 to Rs. 30/- based on the employees performance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Entertainment and media industry (E & M), which was reeling under slow growth has bounced back in 2010 registering a growth rate of 11 percent compared to a mere 1.4 percent in 2009. This growth was primarily driven by the resurgence of media spends by advertisers across media platforms. The overall size of the Media and Entertainment industry grew from INR 58700 crore in 2009 to INR 65200 crore in 2010, registering an overall growth of 11 percent. Backed by positive industry sentiments and growing media consumption, the industry is estimated to achieve growth of 13 percent in 2011 to touch INR 73800 crore. The growth is projected to grow at a CAGR of 14 to reach INR 127500 crore by 2015 according to a latest FICCI KPMG report. The contribution of advertising revenue to overall industry pie is expected to increase from 38 percent in 2007 to 42 percent in 2012.

The contribution of television to the overall industry has risen at a CAGR of 12% and the same is expected to grow at a CAGR of 15% in the next 5 years. Out of the total industry size of INR 65200 crore in 2010, television size was INR 29700 crore which accounts for 45.55 percent of the total industry size. Overall the television industry grew from INR 25700 crore in 2009 to INR 29700 crore in 2010 recording a growth of 15 percent compared to 7 percent last year. It is expected to reach a size of INR 63000 crore in the next five years i.e. by 2015 at a CAGR of 17 percent. The total number of TV households grew from 129 million in 2009 to 138 million by the end of 2010 showing an increase of 7 percent. The C&S households increased from 95 million in 2009 to 108 million in 2010. The number of television channel increased from 461 in 2009 to 550 by August, 2010.

The private FM Radio industry registered robust growth of around 24 percent during the year after recovering from the impact of economic slowdown. Industry growth was driven largely by volumes. The industry is expected to grow at CAGR of 20 percent over the next five years.

INDUSTRY GROWTH – FUNDAMENTAL DRIVERS

The key growth drivers which have enabled the sector to grow are:

- **Digitization** – Digitization has added value to the industry as it provides better quality transmission with the possibility of interactive and value added services. DTH was one of the biggest contributors to the digitization story as it displayed rapid growth to reach 28 million gross subscribers by the end of 2010 registering robust growth of 75 percent in net subscriber base over 2009, by adding 12 million subscribers. With the regulatory push on digitization, increasing mobile and broadband penetration and ongoing 3G rollouts, the market for digital distribution platform is only expected to grow.

- **Regional Channels** - Backed by the increasing purchasing power across tier 2 and tier 3 cities, regional media consumption is expected to continue to rise. With regional channels gaining momentum and emerging as complimentary media propositions, the growth in advertising revenues is expected to come from increase in ad rates being commanded by these channels. In 2010, of total ad volumes, on television, 53 percent was on regional channels as opposed to national channels, growing from 47 percent in 2009.

Focus on profitable growth

Indian M & E companies implemented cost reduction strategies to weather the economic slowdown of 2008-2009. While industry projections look optimistic, increasing competition is creating greater pressure on margins. In order to sustain profitable growth, several cost control initiatives implemented during the slowdown have continued to prevail despite the industry resuming its double digit growth rate.

Increasing Media penetration and per capita consumption

With increase in per capita consumption, discretionary spends are expected to grow and entertainment and leisure platforms are likely to be beneficiaries of this trend. Moreover as metros and tier 1 markets get saturated, media companies are looking to penetrate the tier 2 and tier 3 towns and rural markets.

Growing importance of new Media

The past decade marked the convergence of media and technology of user generated content and social media have changed the way the media is consumed. These changes in the media are being driven by factors such as content pull from telecom services providers due to 3G launch, emerging gaming platforms and innovation in technological devices such as tablets. New media is bringing about a revolution by merging the functionalities for customer end terminal devices like T.V., PCs, mobile phone etc. This creates new and exciting methods of monetizing content and attracting new media consumers. Recently launched I-pad has the potential of becoming a delivery platform for news and entertainment content in the future. Launch of HD channels and its packaged sales by some DTH operators is another example of monetization through new media.

Growing importance of pay markets

Traditionally, advertising revenues have had a strong hold in the M&E industry, but increasingly, subscription revenues are becoming important with consumers paying for media services. The media business models in India are undergoing a change with audiences becoming more willing to pay for content and value added services. Technology has brought about convenience and offers superior quality to consumers who are responding positively. The growth in ticket prices of movies at multiplexes, increasing number of Pay T.V. Subscribers, increasing penetration of DTH with its user-friendly interface and technology, and introduction of Value Added Services



(VAS) by media players are some examples of pay markets gaining importance.

OPPORTUNITIES, GROWTH DRIVERS & CONCERNS

Though growth has been evident in varying proportions across the different segments of the Media Industry i.e. Television occupies a formidable 39% share of ad spend in 2010 indicating its nature as a powerful medium to engage. With 550 channels and 138 million T.V. households and with increased penetration of DTH and digital cable, the opportunities in the broadcasting sector are immense. With the emergence of trends towards new technologies and availability of multiple media vehicles, the Indian Entertainment and Media Industry has been witnessing structural shifts with consumers increasingly taking control of their media consumption. Further increased consumer spending is likely to have greater impact on revenue streams.

Television advertising

The television industry was trying to recover from budget cuts by advertisers in 2009, but there were sectors and brands which ensured the revenue remained stable. While sectors such as Financial Services, Consumer durables etc. cut down their ad spends on advertising, FMCGs maintained their ad spends. Telecom and Auto were other sectors that continued their ad spends. The General elections helped in the growth in ad volumes in 2009. In terms of volumes, T.V. Advertising recorded a growth of 31% in 2009 compared to the same period in 2008 though the rates remained flat in the first half of the year.

Subscription

The number of T.V. households grew at a rate of 7 percent to reach 138 million in 2010 compared to 129 million in 2009. The penetration for Cable & satellite (C&S) households increased from 95 million households in 2009 to 108 million in 2010 registering a growth of over 13 percent. A large part of this growth came from the digital homes being added wherein the DTH base itself was 28 million subscribers by the end of 2010, net of churn.

FM Radio

FM Radio industry has registered an impressive growth of around 24 percent during the year and it is expected to maintain the momentum of growth. As per KPMG FICCI report, the FM Radio sector is expected to grow at a CAGR of 20% in the next five years wherein the listenership growth is expected to increase at a CAGR of 15% during this period. Radio accounts for only 3.75 percent of total ad spends in India. The latest Copyright Board order declared in August has paved the way for revenue linked royalty fees against the existing fixed license fees. While the matter has been appealed in court, the industry is expecting a final resolution that will benefit the industry as a whole. This is expected to have significant impact on profitability going forward. Phase three licensing is expected to be announced later in the year which will provide opportunity to increase the licenses by 800.

Outlook

Two main sources of revenue for the broadcasters are - Advertisement Revenue and Subscription Revenue. Since your Company is in the News genre, the primary source of income for your Company is Ad sales revenue. Both the streams of revenue i.e. Advertisement and subscription revenues have shown growth compared to the last financial year. Though the viewership share of national news channels both Hindi and English genre has gone down when compared with last year, your company has been able to maintain not only its leadership position, but also improvements in revenues.

The ad spend on a channel depends on its market share, reach and the credibility and popularity it enjoys with the consumer. The leadership position of Aaj Tak as the No.1 news channel for the **tenth** consecutive year has contributed to the growth in advertising revenue. Your Company's 24 hour English News channel "Headlines Today" and Hindi News channel "Tez" catering to the upmarket urban population and Metro centric channel "Dilli Aaj Tak" have also contributed to the revenue growth of the Company in the financial year ended 31st March, 2011 and are expected to further contribute for the Company in the coming years. Your Company is constantly investing in the content as well as distribution on the basis of detailed research in order to achieve better ratings.

Three channels were converted to 'Pay' in 2008. While Channels "AAJ TAK", "Headlines Today", "TEZ" are on the platform of Set Discovery Private Limited (now "MSM Discovery"), Dilli Aaj Tak is marketed directly by the Company.

With the increased penetration of digitisation including new platforms like DTH and IPTV, your Company is expected to benefit from increased subscription revenue through more transparency and addressable reporting of subscription revenues.

Your Company also partners in the digital consolidation with the other group Companies to have an edge on digital technology besides considering the potential opportunity in regional space and leveraging the Groups strength in few other media platforms like Hindi newspaper etc.

Risk and Concerns

A. Television

Lack of transparency in sharing of revenues by distributors.

The lack of transparency in case of analog cable systems has traditionally been a challenge for the broadcasters. Local Cable Operators (LCOs) still garner almost 75 percent of the subscription revenues due to under declaration of the subscription numbers, broadcaster gets around 20 percent and MSO gets around 5 percent. There is a possibility for this scenario to change to a more equitable sharing norm, only with higher penetration of digital platforms.

Carriage Fee

With the limited bandwidth available to the cable operators, there has been a sharp increase in the carriage fees and placement fees paid to DTH, MSOs and LCOs over the last two- three years. The fee varies in accordance with the type of band selected, popularity of the channel and the negotiations between the broadcaster and the DTH operator, MSO or LCO concerned. Even though digitization facilitates hire bandwidth capacity, the number of new channels is also growing and hence both carriage and placement fee might continue to remain a concern for broadcasters, specially after introduction of carriage fees by DTH players.

Competition leading to increasing content and distribution cost

In the current scenario, broadcasters are vying for a share of viewer eye balls, in order to chase ad spends. Fragmentation of viewership ratings and excess capacity are forcing players to incur high marketing, content and distribution costs in order to stay competitive. Production cost are estimated to have gone up by 10-15 percent.

Measurement systems

Though the current measurement system in the country captures useful information from 8000 T.V. households, the coverage is limited. The system is continuously evolving to cater to the diversity of the Indian market. TAM continues to be the dominant television broadcasting rating agency in India. It has announced initiatives to broaden its coverage and geographic reach.

B. FM Radio

Cost structures remain a concern for the industry given the high royalty payments, one time entry fees and restrictions on networking. Though there are encouraging signs in the form of Copyright Board's order on revenue linked royalty fees and expectation of announcement of phase three licensing, the industry is waiting to tide over the current scenario of low revenues and high costs.

Regulatory Concerns

1. TRAI issued a new tariff order applicable from 1st September, 2010 to all digital addressable systems wherein the key provisions of the order include that
 - Every broadcaster /distributor shall offer pay channels on a la carte basis and as bouquet at specified rates. In addition, it shall be open for distributors to specify a minimum subscription period not exceeding three months.
 - The wholesale rate of pay tv channels on a la carte basis and bouquet basis for all addressable systems has been capped at 35 percent of the corresponding rates for cable operators/ MSOs in the non-addressable market. However the distributors will be free to specify the retail tariffs. They have been empowered to specify a minimum monthly subscription rate per subscriber. However such

minimum rate specified should not exceed Rs.150 per month per subscriber.

- Broadcasters shall be free to specify tariffs for high definition and 3D TV channels.
2. Rule 7(10) of the cable Television Networks Rules, 1994 (Cable TV Rules) provides that all the advertisements should be clearly distinguishable from the program and should not in any manner interfere with program viz. lower part of screen to carry options, static or moving alongside the program. Taking serious note of the complaints received by the MIB about the violation of the above rule by private TV channels, it has advised all the TV channels including news and current affairs channels to follow the rule.
 3. On FM Radio front, policy for phase three was discussed in the recent Group of Ministers meeting in January, 2011 wherein the following are the key policy changes that are expected as part of phase three licensing:-
 - The award of license should be through the electronic auction route.
 - The period of license in phase three will be extended to 15 years against 10 year in phase two. The government is also looking at allowing existing license holders to extend their licenses to fifteen years, on payment of a migration fees.
 - Permission to relay news (to be sourced from Prasar Bharati and broadcast unaltered), sports and current affairs content is expected.
 - Permission for networking of content, within the network of an operator (networking of stations across operators will not be permitted) across categories of cities is expected. However, this may be subject to a stipulation that a minimum of 20 percent of the content for any station to be produced/ sourced locally.
 - Permission for a single operator to own multiple frequencies in a city is expected (subject to the condition that the city must have three operators with no operator owning more than 40 percent of the frequencies)
 - Prasar Bharati rentals for transmission infrastructure could be potentially reduced.
 - Potential increase in FDI limit from 20 percent to 26 percent which has been approved by MIB recently.

Human Resources

Your Company's employee strength as on 31st March, 2011 was 1196 in comparison to 1028 in the previous year. Your Company considers human resources to be one of the key elements to sustain competitive advantage in the Media sector. Media organizations are human resource driven; its growth depends upon the quality contribution made by the people in the organization. Therefore your Company recognizes human



resource as a key component for facilitating organizational growth. Your Company has continuously worked to create and nurture an organization that is highly motivated, result oriented and adaptable to the changing business environment.

Internal Control and Systems

Your Company has adequate internal control system commensurate with the size and nature of its business. Your Company's internal audit process is being handled by one of the top four audit firms, Ernst & Young, who continuously monitor the adequacy and effectiveness of the internal control systems and policies.

Your Company's internal control is designed to:

- Safeguard the Company's assets and to identify liabilities and manage it accordingly.
- Ensure the transactions are properly recorded and authorized.
- Ensure maintenance of proper records and processes that facilitates relevant and reliable information.
- Ensure compliance with applicable laws and regulations.

Further, Ernst & Young conducts extensive audits round the year covering each and every aspect of the business activity

so as to ensure accuracy, reliability and consistency of records, systems and procedures. The recommendations and observations of the internal auditors are being reviewed regularly by the Audit Committee.

Cautionary Statement

The statement made in this report describing the Company's objective, expectations and predictions may be forward looking statement within the meaning of applicable securities laws and regulations. These statements and expectations envisaged by the management are only estimates and actual results may differ from such expectations due to known and unknown risks, uncertainties and other factors including, but not limited to, changes in economic conditions, government policies, technology changes and exposure to market risks and other external and internal factors, which are beyond the control of the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : May 30th, 2011

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Chairman &
Managing Director

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Governance:

Corporate Governance is an insight into the management of affairs of the Company. It implies governance with the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business. Company is committed to and firmly believes in, following good corporate governance practices, as they are critical for meeting its obligations towards shareholders and other stakeholders.

2. Board of Directors:

a) Composition of the Board

The Board of Directors Presently consists of seven directors of which one is a Managing Director & Chairman of the Board, one Whole-time Director and the other five are Non-executive directors. Mr. Rajeev Thakore, Mr. Rakesh Kumar Malhotra and Mr. Ashok Kapur are Independent directors.

b) Number of Board meetings

During the financial year ended March 31, 2011, the Board met Four (4) times on 24th May 2010, 23rd July 2010, 02nd November 2010 and 11th February 2011.

c) Directors' attendance record and Directorship in other Public Limited Companies

Name of the Director	Category	Board Meetings held during the year	Board Meetings attended during the year	Whether last AGM attended	Directorships in other public limited companies	No. of Memberships/ Chairmanships of other Board Committees*	
						Membership	Chairmanship
Mr. Aroon Purie	(Promoter)-Chairman & Managing Director	4	4	Yes	9	-	-
Ms. Koel Purie Rinchet	Whole Time Director	4	4	No	NIL	-	-
Mr. Anil Mehra	Non-Executive Director	4	4	Yes	7	2	1
Mr. Anil Vig	Non-Executive Director	4	3	Yes	NIL	-	-
Mr. Rajeev Thakore	Independent Director	4	4	No	1	-	-
Mr. Rakesh Kumar Malhotra	Independent Director	4	4	Yes	1	1	-
Mr. Ashok Kapur	Independent Director	4	3	No	6	-	-

*None of the directors is a member of more than ten Board Committees or a Chairman of more than five such committees, as required under clause 49 of the Listing Agreement.

d) Code of Conduct

The Board had laid down a code of conduct for all the Board members and senior management personnel of the company since January 2005, which is also posted on the web-site of the Company (<http://aajtak.intoday.in>).

All Board members and senior management personnel to whom the code of conduct is applicable have affirmed compliance with the code for the financial year 2010-11.

3. Audit Committee:

a) Composition

The Audit Committee comprises of Mr. Rakesh Kumar Malhotra as Chairman and Mr. Anil Mehra & Mr. Rajeev Thakore, as members. Two-thirds of the members of the Committee including the Chairman are independent directors. The composition of the Committee is in conformity with Clause 49(II) (A) of the Listing Agreement.

All members of the Committee are financially literate. Mr. Rajeev Thakore and Mr. Anil Mehra are financial experts.

b) Terms of Reference, Powers & Role of the Committee

The terms of reference of the Audit Committee including its role & powers are as specified in Clause 49 of the Listing Agreement with the Stock Exchanges, and also in Section 292A of the Companies Act, 1956 as amended from time to time, besides other terms as may be referred to it by the Board of Directors.

c) Number of Committee Meetings & Attendance

The Committee met Four times during the year on 24th May 2010, 23rd July 2010, 02nd November 2010 and 11th February 2011. The gap between two meetings was not more than four months.

The attendance record of the members is as follows:

Name of the Director	Status	No. of meetings held	No. of meetings attended
Mr. Rakesh Kumar Malhotra	Chairman	4	4
Mr. Anil Mehra	Member	4	4
Mr. Rajeev Thakore	Member	4	4

d) Review of information by the Audit Committee

The Audit Committee reviews the report of the Internal Auditors, meets Statutory and Internal Auditors as and when required & discusses their findings, observations, suggestions, internal control system, scope of audit and other related matters. The appointment, removal and terms of remuneration of Internal Auditors subject to review of the Audit Committee. The Committee also reviews Management Discussion & Analysis of financial conditions and results of operations. It also reviews significant related party transactions, submitted by the Management.

4. Remuneration Committee

a) Composition:

The Remuneration Committee comprises of three non-executive directors, out of which the Chairman, Mr. Rajan Bharti Mittal had resigned from the Board as well as the Remuneration Committee with effect from 8th November 2010 and on his place, Mr. Ashok Kapur is appointed as a member of the Remuneration Committee with effect from 11th Feb 2011. Now, the Remuneration Committee comprises of three non executive directors, namely Mr. Rakesh Kumar Malhotra, Chairman, Mr. Ashok Kapur and Mr. Anil Mehra as members of the Committee. The Chairman of the Committee as well as Mr. Ashok Kapur are Independent Directors.

b) Terms of reference:

Remuneration Committee has been constituted for the purpose of formulation of ESOP Scheme under SEBI (Employees Stock Option & Employees Stock Purchase Scheme) Guidelines, 1999 and Clause 49 of the Listing Agreement for formulation of terms and conditions of Employee Stock Option Scheme & appointment, fixing/determination of remuneration of Managing Director/Directors and the senior management personnel of the Company and to review the same, from time to time.

c) Number of Meetings held & Attendance Record:

Name of the Director	Status	No. of meetings held	No. of meetings attended
Mr. Rajan Bharti Mittal*	Chairman*	2	2
Mr. Rakesh Kumar Malhotra	Chairman	3	3
Mr. Anil Mehra	Member	3	3
Mr. Ashok Kapur	Member	3	1

*Mr. Rajan Bharti Mittal who was chairman of the Committee had resigned on 08.11.2010 and had attended all the meetings of remuneration Committee.

d) Remuneration Policy & Remuneration of Directors:

No remuneration has been paid to Directors except to Mr. Aroon Purie, Chairman & Managing Director and Ms. Koel Purie Rinchet, Whole Time Director. Mr. Aroon Purie is entitled to remuneration by way of commission @ 5% of the net profits of the Company, which also includes the facility of a Chauffer driven car partly for official and personal purposes. He was not entitled to any other benefit, salary, bonus, stock option, pension etc. The monetary value of the remuneration (commission) paid to him during the financial year is Rs. 9,220,034 (Includes Perquisites amounting to Rs. 1,009,352).

Ms. Koel Purie Rinchet is entitled to remuneration by way of salary, perquisites, allowances and bonus including a Company maintained car with reimbursement of Driver's salary, Provident Fund, Gratuity as per rules of the Company. Ms. Koel Purie Rinchet shall be entitled to Group Medical Insurance Scheme and the Group Accident Insurance Scheme as applicable to Senior Employees of the Company. The monetary value of the remuneration paid to her during the financial year is Rs. 4,389,050.

e) Compensation to Non-executive Directors:

During the financial year, Non- Executive Directors were paid sitting fee @ Rs. 10,000/- for each meeting

f) Shares held by Non-executive Directors

Name of the Director	No. of Shares held
Mr. Anil Mehra	100
Mr. Rajeev Thakore	300

5. Shareholders/Investors Grievance and Share Transfer Committee

i) Composition

The committee comprises of Mr. Anil Mehra, Mr. Aroon Purie and Mr. Anil Vig. Mr. Anil Mehra, a Non-Executive Director, is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee. The composition of the Committee is in conformity with Clause 49 (IV) (G) (iii) of the Listing Agreement.

ii) Terms of Reference

The Committee has been constituted to specifically look into issues relating to redressal of the Investors/ Shareholders complaints including complaints relating to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends and/or any

other matter relating to Shareholders/Investors. The Committee meets as and when required.

iii) Name & Designation of Compliance officer

Mr. Puneet Jain GM (Legal & F & A) and Company Secretary is the Compliance Officer.

iv) Investors complaints received and resolved during the year

During the year under review, 7 complaints were received, all of which have been resolved. No complaint was pending as at the end of the financial year.

6. General Body Meetings

a) Details of the last three Annual General meetings are as under:

Financial Year	Date	Time	Venue	Details of special resolutions passed, if any
2009-10	26.08.10	1.00 P.M.	M.P.C.U. Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, (Shree Delhi Gujarati Samaj), 2, Raj Nivas Marg, Delhi-110054.	None
2008-09	27.08.09	1.00 P.M.	M.P.C.U. Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, (Shree Delhi Gujarati Samaj), 2, Raj Nivas Marg, Delhi-110054.	None
2007-08	25.09.08	4.00 P.M.	FICCI Auditorium, Federation House, Tansen Marg, new Delhi-110001	None

b) Postal Ballot

During the financial year 2010-2011, no special resolution was passed through postal ballot.

As of now, no special resolution is proposed to be conducted through postal ballot.

7. Disclosures

- (i) The details of related party transaction with the company are given in Note No. 8 of Schedule Q (B) of the Notes to Accounts of the Company. Besides this, the company has no material significant transaction with the related parties viz. promoters, directors of the company, management, their relatives, subsidiaries of promoter Company etc. that may have a potential conflict with the interest of the Company at large.
- (ii) No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets for non-compliance by the Company during the year.
- (iii) The Company has a centralized Human Resource Department which attends to the grievances of the employees on regular basis and has an exit policy which records the reasons of separation which are shared with the Management.
- (iv) All mandatory requirement as applicable to the Company are being complied with and the Company has also adopted the non - mandatory requirement relating to the Remuneration Committee.
- (v) Management Discussion and Analysis forms part of the Annual report.

8. Means of Communication

- a) At present quarterly/half yearly reports are not being sent to each household of shareholders.
- b) The quarterly/half yearly results are published in leading English & Hindi Newspapers and are also displayed on website of the Company- <http://aaajtak.intoday.in/> along with official news releases and presentations. The same is also being sent to the institutional investors and to the analysts.

9. General Shareholder information

a. Annual General Meeting

Date : August 29, 2011

Venue : The Airforce Auditorium, Subroto Park, Dhaula Kuan, New Delhi -110010.

Time : 3:00 P.M.

b. Financial Calendar

The next financial year 2011-12 ends on March 31, 2012. The tentative dates for approval of un-audited financial results are as follows:

- Quarter ending June 30, 2011 : upto 14th of August 2011.
- Quarter ending September 30, 2011 : upto 14th of November 2011.
- Quarter ending December 31, 2011 : upto 14th of February 2012.
- Quarter ending March 31, 2012 : upto 15th of May 2012 (un audited) / upto 30th of May 2012 (audited).

c. Book Closure

The register of members and share transfer records of the company shall remain closed from August 18, 2011 to August 29, 2011 (both days inclusive).



T.V. Today Network Limited

d. **Dividend Payment Date:** September 02, 2011

e. **Listing in stock exchanges and stock codes**

The names of the Stock Exchanges at which the equity shares are listed and the respective stock codes are as under:

Name of the Stock Exchanges	Stock Code/Symbol
Bombay Stock Exchange Limited	532515
National Stock Exchange of India Ltd.	TVTODAY

Listing fee for the financial year ended March 31, 2011, as payable to the aforesaid Stock Exchanges, has already been paid.

The ISIN number allotted to the company for dematerialization of shares is as under:

NSDL - INE 038F01029

CDSL - INE 038F01029

f. **Market Price Data**

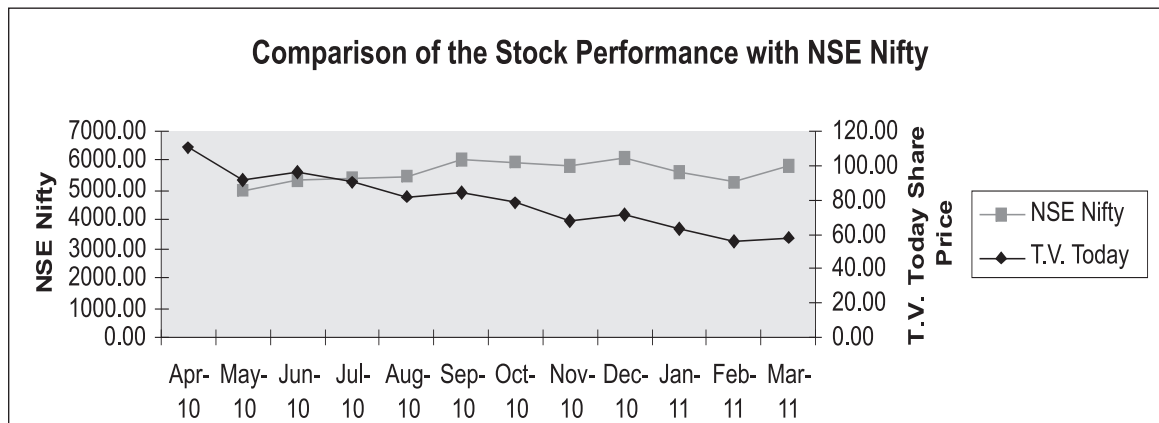
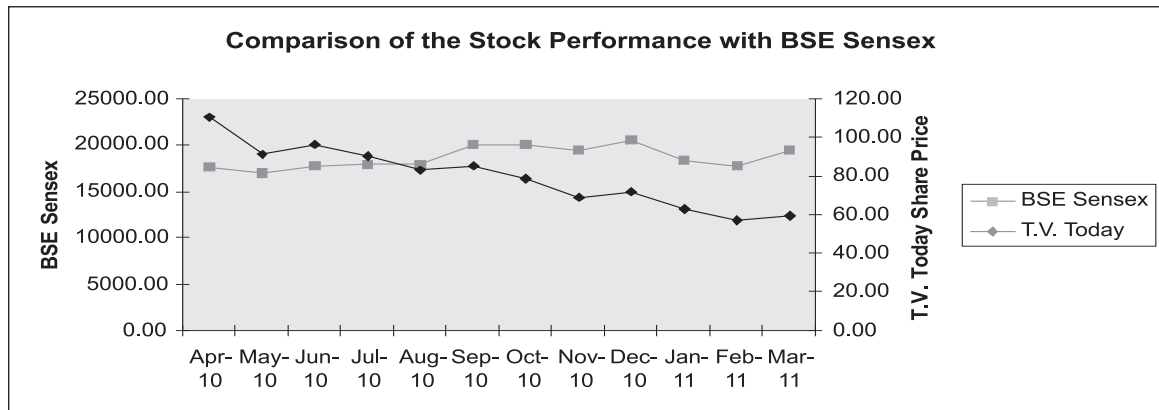
The High/Low of the market price of the Company's equity shares traded on the Bombay Stock Exchange Limited, and National Stock Exchange of India Limited, during the financial year ended 31st March 2011 were as follows:

Month	BSE		NSE	
	High	Low	High	Low
April 2010	122.00	109.40	124.60	109.00
May 2010	113.80	89.85	112.90	89.25
June 2010	98.50	88.50	98.45	88.60
July 2010	103.80	90.00	105.00	90.00
August 2010	95.60	81.60	95.40	81.40
September 2010	96.50	77.05	98.00	77.45
October 2010	90.90	78.25	91.00	78.15
November 2010	84.00	64.50	82.95	64.30
December 2010	74.40	63.20	74.60	63.00
January 2011	75.00	60.30	75.20	60.10
February 2011	65.10	53.25	65.10	53.00
March 2011	65.20	56.50	65.50	56.20

(Source: www.bseindia.com)

(Source: www.nseindia.com)

g) **Performance of Company's equity shares in comparison to BSE Sensex & NSE Nifty:**



h) Registrar & Share Transfer Agent

M/s MCS Limited

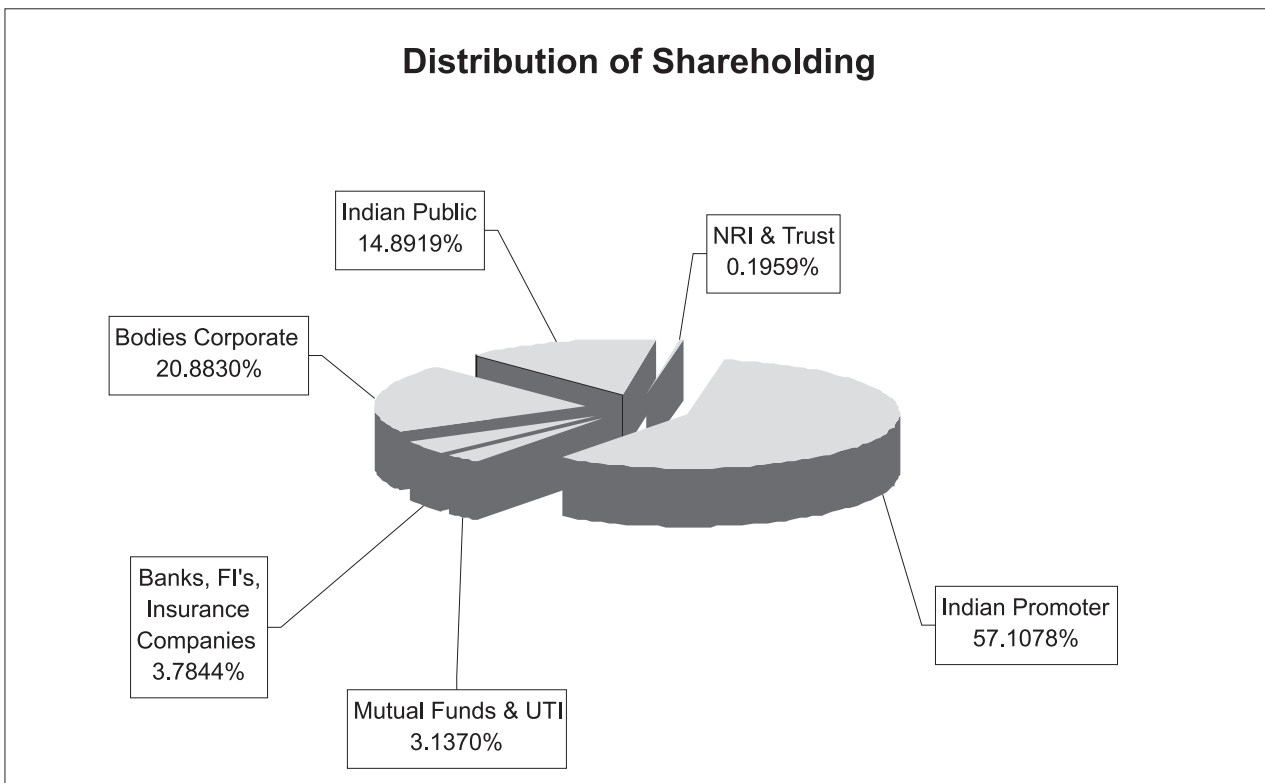
F-65, Okhla Industrial Area
Phase-I, New Delhi-110020
Ph. 011-41406149/51-52
Fax No. 011-41709881
E-mail: admin@mcsdel.com

i) Share Transfer Systems

All share transfers are handled by company's Registrar & Share Transfer Agent. Share transfers in physical form are registered within a month from the date of receipt, provided the documents are found to be in order.

j) Distribution of shareholding as on 31st March 2011

S.No.	Shareholders	Percentage of Holding
1	Indian Promoter	57.1078
2	Mutual Funds & UTI	3.1370
3	Banks, FI's, Insurance Companies	3.7844
4	Bodies Corporate	20.8830
5	Indian Public	14.8919
6	NRI & Trust	0.1959
	Total	100.0000



k. Shares held in physical and dematerialised form

As on 31st March 2011, 42.87% of the Company's total equity shares representing 2,54,91,105 shares were held in dematerialized form (NSDL -2,18,05,232 & CDSL – 36,85,873) and 57.13% equity shares representing 3,39,65,510 shares were held in physical form. The shares of the Company are traded in 'B1' group in BSE.

l. There are no outstanding GDR's / ADR's / Warrants / convertible instruments.

m. Plant Location

Not Applicable



n. Address for Correspondence:

T.V. Today Network Limited
Videocon Tower,
E-1, Jhandewalan Extension,
New Delhi-110055.
Telephone: 011-23684878, 23684888
Fax: 011-41540231
E-Mail – puneet.jain@aajtak.com

o. Bank details in respect of Shares held in dematerialized form

Shareholders holding shares in electronic form may give instructions regarding bank details, which they wish to incorporate on their dividend warrants, to their depository participants. As per the regulations of NSDL and CDSL, the company is obliged to print the bank details on the dividend warrants, as furnished by these depositories to the Company.

Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To the Members of TV Today Network Limited

1. We have reviewed the implementation of Corporate Governance procedures by TV Today Network Limited (the Company) during the year ended March 31, 2011, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. On the basis of our review and according to the best of our information and according to the explanations given to us, the Company is already complying with the conditions of Corporate Governance, as stipulated in Clause 49 of the listing agreement (s) with the Stock Exchanges as in force.

Jyoti Upmanyu Sharma
Certificate of Practice No. 8987

Place : New Delhi
Date : May 30, 2011

For & on behalf of
JUS & Associates
Company Secretaries



DECLARATION ON THE COMPLIANCE WITH THE CODE OF CONDUCT

Dear Members,

In compliance with the provisions of revised Clause 49 of the Listing Agreement, the Company had laid down a “Code of Conduct” to be followed by all Board Members and senior management personnel which received the sanction of the Board and had been posted on the website of the Company. The Code lays down the standards of ethical and moral conduct to be followed by the members in the course of proper discharge of their official duties and commitments. All the members are duty bound to follow and conform to the said Code.

It is hereby certified that all the members of the Board and senior management personnel have conformed to and complied with the “Code of Conduct” during the financial year 2010-11 and that there has been no instances of violation of the Code.

Place : New Delhi
Date : May 30, 2011

Aroon Purie
Chairman & Managing Director

AUDITORS' REPORT TO THE MEMBERS OF T.V. TODAY NETWORK LIMITED

1. We have audited the attached Balance Sheet of TV Today Network Limited (the "Company"), as at March 31, 2011 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together with Order), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:
 - i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
 - ii. The Company does not have any inventory and hence clause (ii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 as amended by the

Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable.

- iii (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly clauses (iii)(b), (iii)(c), (iii)(d) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable.
 - (b) (1) The Company has taken unsecured loan, from a company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregates to Rs.3605.40 Lakhs and Rs. Nil, respectively.
 - (2) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
 - (3) In respect of the aforesaid loans, the Company is regular in repaying the principal amounts as stipulated and is also regular in payment of interest, where applicable.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of professional tax, the Company is regular in depositing the undisputed statutory dues including investor education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- x. The Company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund /societies are not applicable to the Company.
- xiv. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- xvii. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- xix. The Company has not issued any debentures and there are no debentures outstanding as at year end. Hence, clause (xix) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable.
- xx. The Company has not raised any money by public issues during the year.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
4. Without qualifying our report, we draw attention to note B(11) on Schedule Q regarding carrying value of investment in Mail Today Newspapers Private Limited (Mail Today) amounting to Rs. 45.5 Crores. As mentioned in the note, based on projections and independent valuation of Mail Today, the Company is of the view that the carrying value of the advance is appropriate and accordingly, no provision therefore is considered necessary. The carrying value of the investment is dependant on the above future developments, the outcome of which cannot be presently determined.
5. Further to our comments in paragraph 3 above, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;

- (e) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Sd/-
S. Mukherjee
Partner

Place : Gurgaon
Date : May 30, 2011

Membership No. 57084



BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
I. Sources of Funds			
(1) Shareholders' Funds:			
(a) Capital	A	297,283,075	288,958,080
(b) Share Suspense	A (a)	-	8,279,995
(b) Employee Stock Options Outstanding	A (b)	5,550,943	4,129,127
(c) Reserves and surplus	B	2,821,274,852	2,748,290,179
(2) Loan Funds:			
(a) Secured loans	C	178,744,914	297,859,384
(b) Unsecured Loans	D	-	360,540,626
TOTAL		3,302,853,784	3,708,057,391
II. Application of Funds			
(1) Fixed Assets			
(a) Gross block	E	2,020,672,993	1,995,935,752
(b) Less: Depreciation		1,387,082,613	1,258,366,359
(c) Net block		633,590,380	737,569,393
(d) Capital work - in - progress		873,789,802	579,952,292
		1,507,380,182	1,317,521,685
(2) Deferred Tax Asset- Net	Q[B(3)]	111,535,022	126,795,624
(3) Investments			
	F	474,680,430	19,196,941
(4) Current Assets, Loans and Advances			
(a) Interest Accrued on Fixed Deposits		3,614,422	37,147,309
(b) Sundry debtors	G	986,544,184	860,243,109
(c) Cash and bank balances	H	327,890,056	1,295,946,078
(d) Loans and advances	I	625,483,490	746,725,204
		1,943,532,152	2,940,061,700
Less: Current Liabilities and Provisions			
(a) Liabilities	J	614,053,788	578,638,047
(b) Provisions	K	120,220,214	116,880,512
		734,274,002	695,518,559
Net Current Assets		1,209,258,150	2,244,543,141
TOTAL		3,302,853,784	3,708,057,391
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	Q		

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

The Schedules referred to above form an integral part of the Balance Sheet.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants
Sd/-
S. Mukherjee
Partner
Membership No. 57084

For and on behalf of the Board

Sd/-
Puneet Jain
Company Secretary
GM-Legal & F&A

Sd/-
Gulab Makhija
VP- F&A

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Chairman &
Managing
Director

Place : Gurgaon
Date : May 30, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Schedule	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
INCOME			
Income from Broadcasting Operations		2,932,615,907	2,848,156,217
Other Income	L	95,400,636	231,042,354
		<u>3,028,016,543</u>	<u>3,079,198,571</u>
EXPENDITURE			
Employee Cost	M	877,302,178	840,232,209
Production Cost	N	386,705,953	348,938,145
Administrative and Other Costs	O	1,410,031,117	1,138,742,926
Finance Charges	P	9,458,252	70,486,317
Depreciation	E	160,064,695	211,003,875
		<u>2,843,562,195</u>	<u>2,609,403,472</u>
Profit before taxation		184,454,348	469,795,099
Current Tax [amount provided for earlier years Rs. Nil (Previous Year Rs. 20,656,701)]		45,000,000	104,656,701
MAT Credit		-	(84,000,000)
Deferred Tax		15,260,602	140,499,566
Tax Expense		60,260,602	161,156,267
PROFIT AFTER TAXATION		124,193,746	308,638,832
Balance brought forward		1,550,950,803	1,343,021,947
Profit available for appropriation		1,675,144,549	1,651,660,779
Proposed Dividend		44,599,211	43,343,712
Corporate Dividend Tax on Proposed Dividend		7,234,012	7,366,264
Transfer to General Reserves		6,500,000	50,000,000
Balance carried forward to Balance Sheet		1,616,811,326	1,550,950,803
Earnings Per Share of nominal value of Rs.5 each. [Refer Note 6 on Schedule Q(B)]		2.15	5.21
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	Q		

This is the Profit & Loss Account referred to in our report of even date. The Schedules referred to above form an integral part of the Profit & Loss Account

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants
Sd/-
S. Mukherjee
Partner
Membership No. 57084

For and on behalf of the Board

Sd/-
Puneet Jain
Company Secretary
GM-Legal & F&A

Sd/-
Gulab Makhija
VP- F&A

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Chairman &
Managing
Director

Place : Gurgaon
Date : May 30, 2011



FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - A		
SHARE CAPITAL		
Authorised		
68,000,000 (Previous year 68,000,000) Equity Shares of Rs. 5/- each	340,000,000	340,000,000
300,000 (Previous year 300,000) Preference Shares of Rs 100/- each	30,000,000	30,000,000
	<u>370,000,000</u>	<u>370,000,000</u>
Issued, Subscribed and Paid-up		
59,456,615 (Previous year- 57,791,616) Equity shares of Rs. 5/- each fully paid up	<u>297,283,075</u>	<u>288,958,080</u>
33,954,333 (Previous year- 32,300,000) Equity shares of Rs.5/- each are held by Living Media India Limited, the Holding Company.		
Note: of the above 1,655,999 equity shares (Previous years Nil) are allotted as fully paid up pursuant to a contract with payments being received in cash		
SCHEDULE A (a)		
Share Suspense	-	8,279,995
1,655,999 shares of Rs 5 each fully paid, pending allotment.		
SCHEDULE A (b)		
[Refer Note 5 Schedule Q(B)]		
Employee Stock Options Outstanding		
Stock options granted during the year	8,692,500	5,077,500
Less: Deferred employee compensation expense	3,141,557	948,373
TOTAL	<u>5,550,943</u>	<u>4,129,127</u>
SCHEDULE - B		
RESERVES AND SURPLUS		
Securities Premium		
Opening Balance	522,810,044	1,204,626,346
Add: Share premium received on issue of Equity Shares	624,150	1,907,036
Less: Share Premium adjusted on Buy back of shares	-	15,871,038
Less: Adjustment on account of Scheme of Arrangement	-	667,852,300
Closing Balance	<u>523,434,194</u>	<u>522,810,044</u>
General Reserve		
Opening Balance	674,529,332	375,000,000
Add: Additions during the year	6,500,000	50,000,000
Add: Deffered Tax Assets - Adjustment on account of Scheme of Arrangement (approved by shareholders and sanctioned by the Hon'ble High Court at Delhi)	-	249,529,332
	<u>681,029,332</u>	<u>674,529,332</u>
Profit & Loss account		
Balance transferred from the Profit and Loss Account	1,616,811,326	1,550,950,803
TOTAL	<u>2,821,274,852</u>	<u>2,748,290,179</u>

FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - C		
SECURED LOANS		
From Banks :-		
Term Loan	-	225,000,000
(Secured by first charge on all present & future moveable Fixed Assets & Corporate Gurantee furnished by Living Media India Limited, the Holding Company. Repayable within one year Rs. 33,333,333)		
Interest Accrued & Due	-	2,859,384
Short Term Loan	-	70,000,000
(Secured by present & future Book Debts, and Corporate Guarantee given by Living Media Limited, the Holding Company)		
Cash Credit	178,744,914	-
(Cash Credit facilities have been secured against first charge by way of hypothecation of the whole of book-debts)		
TOTAL	178,744,914	297,859,384
SCHEDULE -D		
UNSECURED LOANS		
Other Loans & Advances		360,540,626
From others (Living Media India Ltd, the Holding Company)		
TOTAL	-	360,540,626

FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011
**SCHEDULE - E
FIXED ASSETS**

[Refer Note (b), (c) and (d) of Schedule Q (A)]

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01-04-2010 Rs.	Additions Rs.	Deletions/ Adjustments Rs.	As at 31-03-2011 Rs.	As at 01-04-2010 Rs.	For the year Rs.	Deletions/ Adjustments Rs.	As at 31-03-2011 Rs.	As at 31-03-2010 Rs.
	Leasehold Land	120,359,050	-	-	120,359,050	8,244,595	1,648,919	-	9,893,514
Leasehold Improvements	97,700,946	-	-	97,700,946	74,999,129	6,696,800	-	81,695,929	22,701,817
Plant & Machinery	1,431,153,401	13,841,596	21,873,796	1,423,121,201	962,863,949	107,869,870	20,516,994	1,050,216,825	468,289,452
Computers	90,746,660	6,015,805	-	96,762,465	60,902,345	8,925,977	-	69,828,322	29,844,315
Office Equipments	40,024,082	125,352	2,456,161	37,693,273	26,147,140	3,077,780	2,456,161	26,768,759	13,876,942
Furniture & Fixtures	35,355,872	122,900	-	35,478,772	21,162,912	7,234,006	-	28,396,918	14,192,960
Vehicles	69,672,285	22,244,494	10,039,490	81,877,289	30,080,574	13,795,681	8,375,286	35,500,969	39,591,711
Intangible Assets									
- Production Software	71,794,211	16,313,978	-	88,108,189	65,468,307	6,755,477	-	72,223,784	6,325,904
- Computer Software	3,329,245	442,563	-	3,771,808	3,293,109	88,078	-	3,381,187	36,136
- CTI Site BECIL	35,800,000	-	-	35,800,000	5,204,299	3,972,107	-	9,176,406	30,595,701
TOTAL	1,995,935,752	59,106,688	34,369,447	2,020,672,993	1,258,366,359	160,064,695	31,348,441	1,387,082,613	737,569,393
Capital Work-in-progress (includes capital advances amounting to Rs. 124,117,632/- (Previous year Rs. 16,628,120/-))									873,789,802
Total									1,507,380,182
PREVIOUS YEAR	1,906,362,673	113,481,464	23,908,385	1,995,935,752	1,063,523,062	211,003,875	16,160,578	1,258,366,359	737,569,393

FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - F		
Investments - at cost		
[Refer Note (f) of Schedule Q(A)]		
Long Term		
Trade Investments (Unquoted)		
Mail Today NewsPapers Pvt. Limited 10,510,510 equity shares (Previous Year Nil equity shares) of Rs. 43.29 per share fully paid-up	455,212,482	-
In Subsidiary (Unquoted)		
T.V. Today Network (Business) Limited 1,50,000 equity shares (Previous Year 1,50,000) of Rs. 10/- each fully paid-up	1,500,000	1,500,000
Non trade investments		
In Mutual Funds (Quoted)		
1,439,232 units (Previous Year 1,439,232 units) of Prudential ICICI Gilt Fund- Investment Plan	20,000,000	20,000,000
TOTAL	476,712,482	21,500,000
Less :		
Provision for diminution in value of Investments	2,032,052	2,303,059
	474,680,430	19,196,941
Note:		
Market value of quoted investments	17,967,948	17,696,941
 SCHEDULE - G		
SUNDRY DEBTORS (Unsecured)		
Outstanding for a period exceeding six months		
- Considered good	83,396,719	130,647,117
- Considered doubtful	56,760,012	45,268,547
	140,156,731	175,915,664
Other Debts		
- Considered good	903,147,465	729,595,992
- Considered doubtful	28,524,129	19,262,074
	931,671,594	748,858,066
Total	1,071,828,325	924,773,730
Less: Provision for doubtful debts	85,284,141	64,530,621
TOTAL	986,544,184	860,243,109
 SCHEDULE - H		
CASH AND BANK BALANCE		
Cash in hand	1,006,168	699,091
Balance with scheduled banks		
- Current Accounts	22,621,321	31,469,801
- Dividend Accounts	1,358,474	1,176,552
- Deposit Accounts	302,904,093	1,261,704,093
- Cheques in Hand	-	896,541
TOTAL	327,890,056	1,295,946,078



FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - I		
LOANS & ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	283,814,571	224,956,715
Advance Income Tax [Net of Provision on Income Tax Rs.1,200,388,882 (Previous Year Rs. 1,155,888,882)]	257,926,930	252,526,512
MAT Credit	83,500,000	84,000,000
Advance Fringe benefit Tax [Net of Provision Rs 47,376,255 (Previous Year Rs. 47,376,255)]	241,989	241,989
Advance Towards Share Subscription (Refer Note 11 on Schedule Q(B))	-	184,999,988
	<u>625,483,490</u>	<u>662,725,204</u>
Considered doubtful	14,778,147	13,862,557
Less: Provision for doubtful Advance	14,778,147	13,862,557
	-	-
TOTAL	<u><u>625,483,490</u></u>	<u><u>662,725,204</u></u>

* Includes amounts due from Director and officer Rs 52,554 (Previous Year Rs.123,553) and maximum outstanding balance at any time during the year of Rs. 123,553 (Previous Year Rs. 180,849)

SCHEDULE - J		
CURRENT LIABILITIES		
Sundry Creditors - other than Micro, Small and Medium Enterprises [Refer Note 12 Schedule Q (B)]	456,976,644	396,188,649
Other Liabilities	104,784,930	102,982,830
Advances from Customers	15,745,112	18,852,743
Security Deposits	35,188,628	31,929,426
Book Overdraft	-	27,507,847
Un-Claimed Dividend *	1,358,474	1,176,552
TOTAL	<u><u>614,053,788</u></u>	<u><u>578,638,047</u></u>

* No amount is payable to Investor Protection Fund.

SCHEDULE - K		
PROVISIONS		
Provision for Gratuity [Refer Note 4(II) on Schedule Q(B)]	-	7,998,328
Provision for Leave Encashment [Refer Note 4(II) on Schedule Q(B)]	68,393,741	58,172,208
Proposed Dividend	44,592,461	43,343,712
Corporate Dividend Tax on Proposed Dividend	7,234,012	7,366,264
TOTAL	<u><u>120,220,214</u></u>	<u><u>116,880,512</u></u>

FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
SCHEDULE - L OTHER INCOME		
Interest on Bank Deposit [Gross of Tax deducted at source Rs. 4,480,220 (Previous Year Rs. 13,764,796)]	42,031,753	116,010,553
Dividend Income (from non trade investments)	717,991	1,231,697
Miscellaneous Income	8,548,306	4,419,432
Fees from training	1,171,071	1,951,603
Profit (Net) on sale of fixed Assets	1,608,208	305,092
Gain on sale of Investment (Net) (from non trade investments)	-	60,664,428
Provisions/Liabilities no longer required written back	41,323,307	46,459,549
	<u>95,400,636</u>	<u>231,042,354</u>
SCHEDULE - M EMPLOYEE COST		
Salaries, Wages and Allowances * [Refer note 2 on Schedule Q(B)]	810,366,234	783,380,037
Contribution to Provident and Other Funds	60,105,658	52,288,373
Staff And Workers' Welfare	6,830,286	4,563,799
	<u>877,302,178</u>	<u>840,232,209</u>
* Including amortisation of Deferred ESOP cost Rs. 1,556,816 (Previous Year Rs. 1,189,303)		
SCHEDULE - N PRODUCTION COST		
Reporting Expenses	109,675,606	70,980,643
Up linking Charges	19,923,065	23,742,540
Assignment Charges	1,851,556	4,527,768
Production Expenses	165,895,454	166,692,473
Subscription	14,470,226	11,110,671
Consumables	5,024,493	5,040,974
Transponder Lease Rentals	67,898,824	65,969,177
Programme Procurement	1,966,729	873,899
	<u>386,705,953</u>	<u>348,938,145</u>



FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
SCHEDULE - O		
ADMINISTRATIVE AND OTHER COSTS		
Advertising, Distribution and Sales Promotion	842,651,941	602,904,797
Communication Expenses	33,801,352	35,860,496
Travelling and Conveyance	105,935,496	78,149,150
Car Hire Charges	43,143,857	37,472,776
Rent [Refer note 10 on Schedule Q(B)]	125,811,031	115,313,260
Legal and Professional Charges	15,815,994	22,452,093
Electricity and Water	45,286,481	43,874,868
Vehicle Running and Maintenance	8,053,618	7,597,539
Insurance	13,468,087	11,433,098
Agency Incentive	15,700,773	20,571,503
Housekeeping	33,626,385	31,071,077
Repairs and Maintenance		
- Plant & Machinery (Net of Insurance claim)	29,970,875	32,058,003
- Other	7,305,058	7,344,950
Newspapers and Periodicals	947,454	879,885
Business Promotion	14,217,203	9,175,223
Foreign Exchange Fluctuation (net)	409,705	2,152,715
Printing and Stationary	3,907,809	3,518,536
Freight and Courier	2,059,488	1,676,001
Guard Services	9,943,720	7,448,440
Rates and Taxes	2,578,284	3,467,226
Bad Debts & Advances written off	605,622	-
Miscellaneous Expenditure written off	-	9,725,960
Provision for Doubtful Debts & Advances	37,856,399	18,151,576
Fixed Assets written off	1,356,802	-
Technical Consultancy Fees	11,618,917	29,484,569
Software Expenses	332,400	537,726
Miscellaneous Expenses [Includes prior period expenditure of Rs. 170,348 (Previous Year Rs. 895,374)]	3,626,366	5,857,136
Diminution in value of Investment	-	564,323
	1,410,031,117	1,138,742,926
SCHEDULE - P		
INTEREST & FINANCE CHARGES		
Interest		
- Term Loan	6,659,444	64,777,905
- Cash Credit	402,726	40,026
- Others	33,258	17,088
Finance Charges	2,362,824	5,651,298
TOTAL	9,458,252	70,486,317

SCHEDULE - Q

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

The financial statements are prepared under the historical cost convention to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

The Company follows mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

b. Fixed Assets

Fixed assets are stated at their original cost and include all expenses relating to acquisition and installation. Fixed Assets include digital satellite receivers, included under Plant and Machinery, generally installed at the premises of the channel partner.

c. Intangible Assets

Acquired Intangible Assets expected to provide future enduring benefits are stated at their original cost and include all expenses relating to acquisition and installation.

d. Depreciation/ Amortisation

- Depreciation on Fixed Assets (other than Leasehold Improvements, Digital Satellite Receiver boxes and Intangibles) is provided on straight-line method at the rates prescribed in Schedule XIV on triple shift basis.
- Leasehold Land and Leasehold Improvements are written off over the period of the lease.
- Assets costing less than Rs.5000/- are depreciated over a period of 12 months.
- Digital Satellite Receiver Boxes (included in Plant & Machinery) are being depreciated over the useful life of 3 years at the rate of 33.33% per annum on straight-line method.
- Intangible Assets are amortised on a Straight Line basis over their estimated useful life on a case to case basis.

e. Revenue recognition

Income from broadcasting operations: Advertisement Revenue is recognized for the period for which services have been provided and for which there is certainty of ultimate collection, Subscription revenue is recognized on the basis of the terms of the contract with the distributor.

f. Investments

Long-term investments are stated at cost of acquisition. Provision is made for diminution, other than temporary, in the carrying value thereof, in valuation of investments. Current Investments are stated at lower of cost or fair value.

g. Employee benefits

(a) Short Term Employee Benefits

Short term employee benefits are recognised in the period during which the services have been rendered.

(b) Long Term Employee Benefits

i) Defined Contribution plan

Company's contributions to Provident Fund, Employees' State Insurance Scheme and Employee Pension Scheme, which are Defined Contribution Schemes, are expensed in the Profit and Loss Account at the year when the contributions are due. The Company has no further obligations under these plans beyond its monthly contributions to the respective government funds.

(ii) Defined benefit plan

The Company provides for the liability at year end on account of gratuity and leave encashment as per the actuarial valuation carried out by independent actuary at the year end as per the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Profit and Loss Accounts as income or expense.

The Gratuity Plan of the Company provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. Gratuity Fund is recognized by the income tax authorities and is administered and managed by the Life Insurance Corporation of India ("LIC").

(iii) Termination benefits are recognized as an expense immediately.

h. Foreign currency transactions

- Foreign exchange transactions during the year are recorded at the exchange rates prevailing on the dates of the transactions. Gains or losses arising out of fluctuations in rate between transaction date and settlement date are recognized in the Profit and Loss account.
- Monetary Assets and Liabilities are translated at the exchange rates prevailing at year-end rate and the resultant gain/loss is recognized in the Profit and Loss Account.

i. Taxes on Income

Tax expense for the Year, comprising current tax and deferred tax is included in determining the net profit for the year. Current Tax is determined based on liability computed in accordance with relevant tax rates and tax laws.

Deferred tax is recognized for all timing differences arising between accounting income and taxable income and are measured at the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are carried forward to the extent there is reasonable certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realized. Deferred Tax Assets in respect of unabsorbed depreciation or brought forward losses are recognized to the extent of virtual certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

j. Leases

Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the profit and loss account, on a straight line basis over the lease term.

k. Earnings per Share

Basic Earning Per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earning per share the net Profit/ (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all diluted potential equity shares.

l. Borrowing Cost

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

m. Employee stock based compensation

The Company calculates the employee stock compensation expense based on the intrinsic value method wherein the excess of market price of underlying equity shares as on the date of the grant of options over the exercise price of the options given to employees under the Employee Stock Option Scheme of the Company, is recognized as deferred stock compensation expense and is amortized over the vesting period on the basis of generally accepted accounting principles in accordance with the guidelines of Securities and Exchange Board of India and guidance note issued by the Institute of Chartered Accountants of India.

n. Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of past event and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure for contingent liabilities made when this is a possible obligation or a present obligation that probably will not require an outflow of resource or where a reliable entrance of obligation cannot be made.

o. Impairment of Assets

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

B. NOTES TO ACCOUNTS

1. Capital Commitments / Contingent Liabilities:

- (a) Estimated amounts of contract remaining to be executed on capital account, net of advances, not provided for Rs. 299,551,612 (Previous year Rs. 235,817,263)
- (b) The Company received claims from Prasar Bharti in earlier years towards uplinking charges and telecast fees which were disputed by the Company. Prasar Bharti also raised claims towards interest for non payment of dues from time to time, which also were disputed by the Company. Total claims as at 31st March 2011 amounted to Rs.100,197,555 and the disputes were referred to various legal forums. Pending final outcome in respect of such disputes, the Company made provision on an estimated basis which amounted to Rs.67,484,026 including Rs. 1,953,157 which was made in current year. In the opinion of the management, based on its understanding of the cases and as advised by their counsel, the provision made in the books is considered adequate.
- (c) The Company has received legal notice of claim / lawsuit filed against it in respect of programmes aired on the Channels. In the opinion of the management, no liability is likely to arise on account of such claim / lawsuit.
- (d) The Company has received demand notices from Income Tax department amounting to Rs. 87,411,396 (Previous Year 54,995,989). The Company has contested the same and in the opinion of the management, no liability is likely to arise on account of such demand notices.
- (e) Bank Guarantees outstanding Rs. 28,554,699 (Previous Year Rs. 8,714,420)

2. Particulars of Managerial Remuneration

(a) The remuneration paid to the managerial personnel during the year aggregates to:

(Amount Rs.)

Managing Director	March 31, 2011	March 31, 2010
Commission	8,210,682	19,154,715
Perquisites	1,009,352	1,359,549
Total	9,220,034	20,514,264

Whole Time Director	March 31, 2011	March 31, 2010
Salary	4,356,050	Nil
Perquisites	33,000	Nil
Total	4,389,050	Nil

(b) Computation of Managerial remuneration under section 349 of the Companies Act, 1956-

	For the year ended March 31, 2011	For the year ended March 31, 2010
Profit before taxation	184,454,348	469,795,099
Add: Depreciation as per books	160,064,695	211,003,875
Add: (Profit)/Loss on sale of assets	(251,406)	(305,092)
Add: Provision for diminution in value of investments	-	564,323
Add: Excess of expenditure over income in respect of earlier years	197,738	895,374
Less: Gain on sale of Investment of Capital Nature	-	(60,664,428)
Depreciation under section 350 of the Companies Act, 1956	(160,064,695)	(211,003,875)
Add: Managerial remuneration	9,220,034	20,514,264
Profits for the purposes of Managing Directors' commission as per the Companies Act, 1956	193,620,714	430,799,540
Commission/ Perquisites Paid/Payable @ 5 % of profit computed above	9,220,034*	20,514,264*

*Includes Perquisites amounting to Rs 1,009,352. (Previous Year Rs. 1,359,549)



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3. Deferred Tax

The deferred tax Asset/(Liability) comprises of the following:

Deferred Tax Assets/(Liabilities) arising from	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
Provision for Bad & doubtful debts / advances charged in the financial statements but allowed as deduction under the Income Tax Act in future years (to the extent considered realizable)	32,206,862	21,933,958
Provision for gratuity and leave Encashment	5,099,885	4,843,139
Other disallowances as per the Income tax Act, 1961	14,936,840	3,330,673
Brought Forward Business Losses and Unabsorbed Depreciation	-	34,979,188
Depreciation claimed as deduction under the Income Tax Act but chargeable in the financial statements in future years	59,291,435	61,708,666
Net Deferred Tax Asset / (Liability)	111,535,022	126,795,624

4. During the year, the Company has recognised the following amounts in the Profit and Loss Account

I. Defined Contribution Plans

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
- Employers' Contribution to Provident Fund *	27,945,992	21,319,023
- Employers' Contribution to Employee's Pension Scheme 1995 *	6,863,776	6,415,409

* Included in Contribution to Provident and Other Funds under Employees' Cost (Refer Schedule M)

II. Defined Benefit Plans

(A) The assumptions used to determine the benefit obligations are as follows:

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Discount Rate (Per Annum)	8.00%	7.90%	7.10%	8.00%	7.50%
Rate of increase in Compensation levels	6.50%	6.50%	6.50%	6.50%	6.50%
Expected Rate of Return on Plan Assets (for gratuity)	9.25%	9.25%	9.25%	9.25%	9.00%
Expected Average remaining working lives of employees (years)	24.69	25.30	26	27.09	26.41

The expected return on plan assets is based on actuarial expectation of average long term rate of return expected on investment of the funds during the estimated term of the obligation.

(B) Changes in the Present Value of Obligation

(i) Leave Encashment (Unfunded)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Present Value of Obligation as at April 1, 2010	58,172,208	45,138,967	19,157,626	15,551,357	13,302,251
Acquired on account of arrangement	Nil	841,648	Nil	Nil	Nil
Interest Cost	4,596,405	3,267,991	1,532,610	1,244,109	997,669
Current Service Cost	9,341,722	18,272,452	9,792,962	5,355,458	4,445,764
Benefits Paid	(2,201,847)	(1,341,801)	(1,926,459)	(6,237,696)	(2,336,187)
Actuarial (gain)/ loss on obligations	(1,514,747)	(8,007,049)	16,582,228	3,244,398	(858,140)
Present Value of Obligation as at March 31, 2011	68,393,741	58,172,208	45,138,967	19,157,626	15,551,357

(ii) Gratuity

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Present Value of Obligation as at April 1, 2010	46,042,373	35,079,134	24,001,092	20,846,988	18,132,110
Acquired on account of arrangement	Nil	612,957	Nil	Nil	Nil
Interest Cost	3,637,961	2,536,591	1,920,087	1,667,759	1,359,908
Past Service Cost	Nil	5,784,762	Nil	Nil	Nil
Current Service Cost	9,736,233	8,396,513	7,482,071	5,124,212	4,970,359
Benefits Paid	(912,272)	(1,236,000)	(961,943)	(3,321,952)	(1,616,737)
Actuarial (gain)/ loss on obligations	(468,381)	(5,131,584)	2,637,827	(315,914)	(1,998,652)
Present Value of Obligation as at March 31, 2011	58,035,914	46,042,373	35,079,134	24,001,092	20,846,988

(C) Changes in the Fair Value of Plan Assets (For Gratuity)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Fair Value of Plan Assets as at April 1, 2010	38,044,046	32,547,525	23,690,240	11,862,394	12,419,201
Acquired on account of amalgamation	Nil	Nil	Nil	Nil	Nil
Expected Return on Plan Assets	3,511,849	3,010,646	2,191,347	1,097,271	1,117,728
Actuarial Gain/(Loss)	Nil	(54,114)	(61,548)	182,469	(57,798)
Contributions	20,113,124	3,775,989	7,689,429	13,870,059	Nil
Benefits Paid	(912,272)	(1,236,000)	(961,943)	(3,321,953)	(1,616,737)
Fair Value of Plan Assets at March 31, 2011	60,756,747	38,044,046	32,547,525	23,690,240	11,862,394

(D) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets (For Gratuity)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Present Value of funded Obligation as at March 31, 2011	58,035,914	46,042,373	35,079,134	24,001,093	20,846,988
Fair Value of Plan Assets as at the end of the period	60,756,747	38,044,046	32,547,524	23,690,240	11,862,394
Funded Status	2,720,833	(7,998,328)	(2,531,610)	(310,853)	(8,984,594)
Unrecognized Actuarial (gains)/ Losses	Nil	Nil	Nil	Nil	Nil
Net Asset/(Liability) Recognized in Balance Sheet	2,720,833	(7,998,328)	(2,531,610)	(310,853)	(8,984,594)



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(E) Expense recognised in the Profit and Loss Account

(i) Leave Encashment

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Current Service Cost	9,341,722	18,272,452	9,792,962	5,355,458	4,445,764
Past Service Cost	Nil	Nil	Nil	Nil	Nil
Interest Cost	4,596,405	3,267,991	1,532,610	1,244,109	997,669
Net actuarial (gain)/ loss recognized in the period	(1,514,747)	(8,007,049)	16,582,228	3,244,398	(858,140)
Total Expenses recognized in the Profit & Loss Account	12,423,380**	13,533,394**	27,907,800	9,843,965	4,585,293

** included in Contribution to Provident and Other Funds (Refer Schedule M)

(ii) Gratuity

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Current Service Cost	9,736,233	8,396,513	7,482,071	5,124,212	4,970,359
Past Service Cost	Nil	5,784,762	Nil	Nil	Nil
Interest Cost	3,637,961	2,536,591	1,920,087	1,667,759	1,359,908
Expected Return on Plan assets	(3,511,849)	(3,010,646)	(2,191,347)	(1,097,271)	(1,117,728)
Net actuarial (gain)/ loss recognized in the period	(468,381)	(5,077,470)	2,699,375	(498,383)	(1,940,854)
Total Expenses recognized in the Profit & Loss Account	9,393,964**	8,629,750**	9,910,186	5,196,317	3,271,685

** included in Contribution to Provident and Other Funds (Refer Schedule M)

(F) Constitution of Plan Assets (For Gratuity)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Total of the Plan Assets	60,756,747*	38,044,046*	32,547,525*	23,690,240*	11,862,394*

* The contribution is made to LIC and the detailed information of Planned Assets has not been provided by LIC.

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Actual return on Plan Assets	3,511,849	3,010,646	2,191,347	1,097,271	1,117,728

5. EMPLOYEE STOCK OPTION PLAN – ESOP 2006

The Company instituted the Employee Stock Option Plan – (TVTN ESOP 2006), to grant equity – based incentives to its eligible employees. The TVTN ESOP 2006 had been approved by the board of directors in their meeting held on 21st August 2006 and by shareholders in their meeting held on 28th September 2006, for grant of 2,900,000 options representing one share for each option upon exercise by the employees of the Company at a exercise price determined by Board/Remuneration Committee. The equity shares covered under the scheme shall vest over a period of four years; vesting shall vary based on the meeting of the performance Criteria. The Optionee may exercise their vested options at any moment after the earliest applicable vesting date and prior to the completion of ten years from the grant date.

Accordingly the Company under the intrinsic value method has recognized the excess of the market price over the exercise price of the option amounting to Rs. 1,556,816 as an expense during the year. Further, the liability Outstanding as at the March 31, 2011 in respect of Employees Stock Options Outstanding is Rs. 8,692,500. The balance deferred compensation expense Rs. 3,141,557 will be amortized over the remaining vesting period of Options.

The movement in the options granted to employees during the year ended March, 31 2011 under the ESOP 2006 is set out below:

	First Grant	Second Grant	Third Grant	Fourth Grant
Date of Grant	December 1, 2006	March 1, 2007	December 1, 2007	June 24, 2008
Market value on date of grant of the Underlying equity shares	Rs. 74.35	Rs. 134.85	Rs.152.75	Rs.93.15
Exercise Price (50% of options)	Rs. 74.35	Rs. 134.85	Rs.152.75	Rs.93.15
(balance 50% of options)*	Rs. 44.35	Rs. 104.85	Rs.122.75	Rs.63.15
Vesting Period	4 Years	4 Years	4 Years	4 Years
Options outstanding at the beginning of year (Nos)	154,000	55,000	15,000	113,000
Options granted (Nos)	-	-	-	-
Options forfeited (Nos)	-	-	-	9,000
Options exercised (Nos)	9,000	Nil	Nil	Nil
Options Expired (Nos)	Nil	Nil	Nil	Nil
Options outstanding at the end of year (Nos) **	145,000	55,000	15,000	104,000
Options Exercisable at the year end	145,000	55,000	9,000	31,200
	Fifth Grant	Sixth Grant	Seventh Grant	
Date of Grant	April 5, 2010	May 20, 2010	Sep 30, 2010	
Market value on date of grant of the Underlying equity shares	Rs. 113.90	Rs. 102.85	Rs.85.15	
Exercise Price (50% of options)	Rs. 113.90	Rs. 102.85	Rs.85.15	
(balance 50% of options)*	Rs. 83.90	Rs. 72.85	Rs. 55.15	
Vesting Period	4 Years	4 Years	4 Years	
Options outstanding at the beginning of year (Nos)	Nil	Nil	Nil	
Options granted (Nos)	21,500	37,500	200,000	
Options forfeited (Nos)	Nil	Nil	Nil	
Options exercised (Nos)	Nil	Nil	Nil	
Options Expired (Nos)	Nil	Nil	Nil	
Options outstanding at the end of year (Nos.)**	21,500	37,500	200,000	
Options Exercisable at the year end	Nil	Nil	Nil	

* Maximum discount of Rs. 30/- which may vary between Rs. 0 to Rs. 30/- based on the employee's performance.

** Weighted average remaining contractual life of 1.28 years.

The fair value of the options granted during the year under the TVTN ESOP -2006 is estimated on the date of grant using the Black- Scholes model with the following assumptions.

	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006
Date of Grant	December 1, 2006	March 1, 2007	December 1, 2007	June 24, 2008	April 5, 2010	May 20, 2010	Sept. 30, 2010
Risk Free Interest	7.35%	7.87%	8.07%	8.83%	8.09%	7.94%	8.10%
Expected Life*	10 Years	10 Years	10 Years	10 Years	10 Years	10 Years	10 Years
Expected Volatility**	48.28%	55.44%	51.27%	58.35%	54.44%	52.40%	43.13%
Expected Dividend	1.01%	0.56%	0.49%	0.83%	0.66%	0.74%	0.89%

* Expected life is taken as the aggregate of the vesting and exercise period.

** Expected volatility is determined on the basis of the "share price – volume data" available at [_www.nseindia.com](http://www.nseindia.com).



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The impact on the profit of the Company for the year ended March 31, 2011 and the basic and diluted earnings per share had the Company followed the fair value method of accounting for stock options is set out below:

	Amount Rs.
Profit/(Loss) after tax as per Profit and Loss Accounts (a)	124,193,746
Add: Employee Stock Compensation Expense as per Intrinsic Value Method	1,556,816
Less: Employee Stock Compensation Expense as per Fair Value Method	5,133,150
Profit/(Loss) after tax recomputed for recognition of employee stock Compensation expense under fair value method (b)	120,617,412
Earning per share on computed on earning as per (a) above (Rs.)	
- Basic	2.15
- Diluted	2.15
Earnings per Share as computed on earnings as per (b) above (Rs.)	
- Basic	2.09
- Diluted	2.09

6. Earning per share

Description	Year Ended March 31, 2011	Year Ended March 31, 2010
Net profit after Tax (Rs.) (a)	124,193,746	308,638,832
Number of equity share outstanding at the end of the year /weighted average of number of equity shares used in computing basic earning per share (Nos) (b)	57,844,137	57,797,767
Number of equity share outstanding at the end of the year/weighted average of number of equity shares used in computing diluted earning per share (Nos) (c)	59,456,615	59,510,622
Nominal Value per Share (Rs.)	5	5
Basic Earnings per share (a/b)	2.15	5.34
Diluted Earnings per share (a/c)	2.15	5.21

7. Information pursuant to the provisions of paragraph 3, and 4 of Part-II of Schedule-VI to the Companies Act, 1956:-

	2010-2011 Rs.	2009-2010 Rs.
(a) Value of imports on CIF basis		
Capital goods	21,134,543	17,189,659
(b) Income in Foreign Currency (Accrued basis)		
Income from Broadcasting	82,547,314	83,477,363
(c) Expenditure in Foreign Currency (Accrued basis)		
Traveling	14,338,051	12,125,759
Production Cost	96,010,286	131,990,652
Repair & Maintenance	3,026,682	2,940,188
Other Expenses	15,876,959	928,820
(d) Auditors Remuneration		
Statutory Audit (excluding service tax)	2,500,000	2,500,000
Tax Audit (excluding service tax)	100,000	100,000
Other Services	900,000	900,000
Out of Pocket Expenses	157,017	48,091

8. As identified and certified by the Company, Related Party Disclosures as per the requirement of Accounting Standard 18 issued by the Institute of Chartered Accountants of India:

(I). Name of the related party and nature of related party relationship where control exists:

- (a) **Key Management Personnel (KMP):**
 - Mr. Aroon Purie (Managing Director)
 - Ms. Koel Purie Rinchet (Whole Time Director)
- (b) **Entities Controlling the Company (Holding Companies):**
 - World Media Private Limited ^
 - Living Media India Limited
- (c) **Subsidiary Companies :**
 - T.V. Today Network (Business) Limited
- (d) **Fellow Subsidiary Companies :**
 - Thomson Press (India) Ltd.
 - Living Media International Ltd.
 - Radio Today Broadcasting Limited
 - Mail Today News Papers Ltd.
- (e) **Companies under common control :**
 - Integrated Databases India Limited

^ There are no transactions during the year

(II). Transactions with related parties during the year in the ordinary course of business:

(Amount Rs.)

Name of Transaction	Holding Company	Companies under common control	Fellow Subsidiaries	KMP	Total
Purchase of Ad space/ material*	60,955	-	-	-	60,955
	(1,526,662)	-	-	-	(15,26,662)
Income from Broadcasting operations*	21,658,124	-	322,130#	-	21,980,254
	(15,318,677)	-	-	-	(15,318,677)
Sale of recorded tapes*	-	-	-	-	-
Management fee	600,000	44,000	-	-	644,000
	(600,000)	-	-	-	(600,000)
Purchase of fixed Assets	85,980	-	-	-	85,980
	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-
	(4,950,001)	-	-	-	(4,950,001)
SMS charges	86,239	-	-	-	86,239
	(315,952)	-	-	-	(315,952)
Screen Rent	-	-	-	-	-
	(10,588,800)	-	-	-	(10,588,800)
Rent payment made to related parties for use of common facilities/ utilities	10,538,876	-	1,273,968**	-	11,812,844
	(12,101,220)	-	(181,182)#	-	(13,662,531)
	(1,380,129)**	-	-	-	-
Rent charged to related parties for use of common facilities/ utilities	7,974	-	26,472^	-	34,446
	(30,935)	-	-	-	(30,935)
Remuneration / Commission paid	-	-	-	13,609,084	13,609,084
	-	-	-	(20,514,264)	(20,514,264)
Misc Inter-Company service received from related parties & other charges paid	3,022,289	-	879,504**	-	3,901,793
	(5,607,567)	(88,000)	(825,891)#	-	(8,305,490)
	(1,784,032)**	-	-	-	-
Misc Inter-Company services rendered to related parties & other charges received	1,925,611	-	9180**	-	2,589,268
	(686,875)	-	654,477#	-	(1,195,542)
	-	-	(508,667)	-	-
Interest paid on Loans	(22,327,883)	-	-	-	(22,327,883)
Loan Received	17,000,000	-	-	-	17,000,000
	(86,695,095)	-	-	-	(86,695,095)
Loan Repayment	377,540,626	-	-	-	377,540,626
	-	-	-	-	-
Share subscription money paid	-	-	270,000,000#	-	270,000,000
	-	-	(184,999,988)#	-	(184,999,988)

(*) The figures include Sales Tax / Service Tax as applicable

(**) Represents transactions with Thomson Press (India) Limited.

(^) Represents transactions with Radio Today Broadcasting Limited.

(#) Represents transactions with Mail Today

Note:

1. Previous year figures are in bracket

2. Other Related Party transactions:

The Company is using certain 2 MB telephone leased obtained from Mahanagar Telephone Nigam Limited. These facilities were originally obtained in the name of Living Media India Limited and are pending transfer in the name of the Company.

(III). Outstanding Balances pertaining to Related Parties

(Amount Rs.)

Name of the Related Party	Amount outstanding as at March 31, 2011	Amount outstanding as at March 31, 2010
Living Media India Limited	(9,210,538)	(385,865,569)
Total Holding Company	(9,210,538)	(385,865,569)
Integrated Databases India Ltd.	Nil	(22,000)
Total Companies Under Common Control	Nil	(22,000)
Radio Today Broadcasting Limited	26,472	-
Thomson Press (India) Limited	(148,784)	(461,595)
Mail Today News Papers Ltd.	1,122,682	185,777,260
Total Fellow Subsidiary Companies	1,000,370	185,315,665
T.V. Today Network (Business) Limited	120,372	33,981
Total Subsidiary Company	120,372	33,981
Aroon Purie	(8,210,682)	(19,154,715)
Total Director	(8,210,682)	(19,154,715)

Figures in brackets represent amounts payable.



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9. Segment Reporting:

(Amount Rs.)

Particulars	TV Broadcasting	Radio Business	Total
Segment Revenue			
Income from Broadcasting	2,890,469,363	42,146,544	2,932,615,907
	(2,804,645,975)	(43,510,242)	(2,848,156,217)
Other Allocable Income	49,963,350	2,416,536	52,379,886
	(53,828,133)	(-692,457)	(53,135,676)
Segment Results	367,576,613	(219,080,846)	148,495,767
	(578,491,382)	(-221,260,733)	(357,230,649)
Diminution in value of Investment			-
			(-564,323)
Interest Expenses			(7,062,170)
			(-64,777,905)
Dividend Income			717,991
			(1,231,697)
Diminution in value of investment written back			271,007
			(-)
Gain on sale of Investment			-
			(60,664,428)
Interest on Bank Deposit			42,031,753
			(116,010,553)
Income tax Expenses			(60,260,602)
			(-161,156,267)
Profit after tax			124,193,746
			(308,638,832)
Other Segment Information			
Capital Expenditure	58,644,782	461,906	59,106,688
	(84,406,610)	(290,748,555)	(113,481,465)
Depreciation for the Year	133,333,717	26,730,978	160,064,695
	(174,238,189)	(36,765,686)	(211,003,875)
Segment Assets	2,538,822,187	238,916,750	2,777,738,937
	(2,195,793,885)	(277,698,664)	(2,473,492,549)
Corporate Assets			806,184,909
			(1,466,519,275)
Advance Tax net of provision			341,668,919
			(336,768,502)
Deferred Tax Assets			111,535,022
			(126,795,624)
Total Assets			4,037,127,787
			(4,403,575,950)
Segment Liabilities	643,797,061	37,291,999	681,089,060
			(694,900,304)
Corporate Liabilities			231,929,863
			(659,018,265)
Shareholder's Fund			3,124,108,864
			(3,049,657,381)
Total Liabilities			4,037,127,787
			(4,403,575,950)
Net non cash expenditure other than depreciation and amortizations			60,920,591
			(18,715,899)

Previous year figures are in bracket

The Company has considered business segment as the primary segment for disclosure. The products included in each of the reported domestic business segments are as follows:

- TV Broadcasting
- Radio Business

The above business segments have been identified considering :

- the nature of services
- the differing risks and return
- the organizations structure and
- the internal financial reporting systems

10. Operating Leases

The Company has cancelable lease arrangements mainly for leasing of office premises and Company leased accommodations for its employees. Terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Profit & Loss account amount to Rs. 125,811,031 (Previous Year Rs. 115,313,260), net of sublease rental received Rs. 6,637,955 (Previous Year Rs. 5,290,142).

11. The Company has as a strategic decision considered entering into the print media. In this regard, it has acquired some stake in Mail Today Newspapers Private Limited (Mail Today), a differentiated newspaper with respect to content as well as value to its advertisers. Based on the valuation of the equity shares of Mail Today, carried out by an independent valuer, the Company, the acquired some stake through direct subscription and also through purchase from existing shareholders amounting to Rs. 45.5 crores. Though, Mail Today is in the initial stages of operations and presently is incurring losses, the Company, based on independent projections, is confident of the future profitability of Mail Today and consequently of the carrying value of the Investment.
12. Based on information available with the Company, there are no outstanding dues to Micro and Small enterprises as at March 31, 2011. No interest is paid/payable by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.
13. The figures for the previous year have been regrouped/ rearranged wherever considered necessary to conform to the current year's classification..



T.V. Today Network Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year Ended March 31, 2011 Amount (Rs.)		For the Year Ended March 31, 2010 Amount (Rs.)	
Cash flows from operating activities				
Net profit before taxation and after Employees				
Stock Compensation Expense	184,454,348		469,795,099	
Adjustments for:				
Depreciation	160,064,695		211,003,875	
Deferred Revenue Expenditure written off	-		9,725,960	
Employees Stock Compensation Expense	1,556,816		1,189,303	
Provision for Gratuity	9,393,964		8,629,750	
Provision for Leave Encashment	12,423,380		13,370,294	
Provision for Doubtful Debts & Advances	37,856,399		18,151,576	
Bad debts written off	605,622		-	
Provision for diminution in the value of investments written back	(271,007)		537,726	
Provision no longer required written back	(41,323,307)		(46,459,549)	
Provision for Wealth Tax	1,676,089		1,635,218	
Loss/(Profit) on sale of Fixed Assets	(251,406)		(305,092)	
Interest received on deposits	(42,031,753)		(116,010,553)	
Dividend Income	(717,991)		(1,231,697)	
Interest Paid	7,095,428		64,777,905	
Profit on sale of investments	-		(60,664,428)	
Operating profit before working capital changes	330,531,277		574,145,387	
Change in Sundry Debtors	(163,847,506)		(199,254,500)	
Change in Other Current Assets	(57,052,614)		(250,019,164)	
Change in Current Liabilities & Provisions	54,012,616		111,308,926	
Cash generated from operations	163,643,773		236,180,649	
Income taxes paid	(49,900,418)		(321,257,273)	
Wealth tax paid	(1,717,557)		(1,732,556)	
Net cash from operating activities		112,025,798		(86,809,180)
Cash flows from investing activities				
Purchase of investments	(269,941,487)		-	
Sale of investments	-		561,120,429	
Purchase of fixed assets	(59,106,688)		(113,481,464)	
Dividend received	717,991		1,231,697	
(Increase) in Capital Work in Progress	(293,837,510)		(221,334,716)	
Proceeds from sale of Fixed Assets	3,272,412		8,052,898	
Interest received on deposits	75,564,640		99,780,935	
Net cash from investing activities		(543,330,642)		335,369,779
Cash flows from financing activities				
Proceeds from issuance of share capital	534,150		-	
Payment towards buyback of share capital	-		(14,512,763)	
Proceeds from long-term borrowings from banks	-		271,278,220	
Payments for long-term borrowings from banks	(225,000,000)		(100,000,000)	
Proceeds/(Repayment) of short term loans	(251,795,712)		86,695,095	
Interest paid	(9,954,812)		(64,777,905)	
Dividend & Corporate Dividend Tax paid	(50,534,804)		(50,864,630)	
Net cash used in financing activities		(536,751,178)		127,818,017
Net increase in cash and cash equivalents		(968,056,022)		376,378,616
Cash and cash equivalents at beginning of year		1,295,946,078		909,903,141
Add: Cash and cash equivalents acquired pursuant to the Scheme of Amalgamation		-		9,664,321
Cash and cash equivalents at end of year (see Note 1)		327,890,056		1,295,946,078

Note : 1

Cash and cash equivalents at end of year

Cash in hand	1,006,168	699,091
Cheques in hand	-	896,541
Balance with scheduled banks -		
- Current Accounts	22,621,321	31,469,801
- Dividend Account	1,358,474	1,176,552
- Deposit Accounts	302,904,093	1,261,704,093
Cash and cash equivalents	327,890,056	1,295,946,078

Note : 2

Figures in brackets indicate cash outflow

Note : 3

The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India

This is the Cash Flow Statement referred to in our report of even date. The notes referred to above forms an integral part of the Cash Flow statement
For Price Waterhouse For and on behalf of the Board

Firm Registration No. 301112E

Chartered Accountants

Sd/-

S. Mukherjee

Partner

Membership No. 57084

Sd/-

Puneet Jain

Company Secretary

GM-Legal & F & A

Sd/-

Gulab Makhija

VP- F&A

Sd/-

Anil Mehra

Director

Sd/-

Aroon Purie

Chairman &

Managing
Director

Place : Gurgaon

Date : May 30, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(A) REGISTRATION DETAILS

REGISTRATION NUMBER	:	103001
STATE CODE	:	55
BALANCE SHEET DATE	:	March 31, 2011

(B) CAPITAL RAISED DURING THE YEAR (Amount in Rs. '000)

PUBLIC ISSUE	:	NIL
RIGHTS ISSUE	:	NIL
BONUS ISSUE	:	NIL
PRIVATE PLACEMENT	:	NIL
ISSUE UNDER ESOP	:	NIL

(C) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs.'000)

TOTAL LIABILITIES	:	4,037,128
TOTAL ASSETS	:	4,037,128

SOURCES OF FUNDS

PAID- UP CAPITAL	:	297,283
EMPLOYEE STOCK OPTIONS	:	5,550
RESERVE & SURPLUS	:	2,821,275
SHARE APPLICATION	:	-
SHARE SUSPENSE	:	-
SECURED LOANS	:	178,745
UNSECURED LOANS	:	-
DEFERRED TAX LIABILITY/ (ASSET)- NET	:	(111,535)

APPLICATION OF FUNDS

NET FIXED ASSETS	:	1,507,380
INVESTMENTS	:	474,680
NET CURRENT ASSETS	:	1,209,258
MISCELLANEOUS EXPENDITURE	:	-
ACCUMULATED LOSSES	:	-

(D) PERFORMANCE OF THE COMPANY (Amount in Rs. '000)

TURNOVER	:	3,028,016
TOTAL EXPENDITURE	:	2,843,562
PROFIT/(LOSS) BEFORE TAX	:	184,454
PROFIT/(LOSS) AFTER TAX	:	124,194
EARNINGS PER SHARE IN RS.	:	2.15
DIVIDEND RATE %	:	15

(E) GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

ITEM CODE NUMBER	:	-
PRODUCT DISCRIPTION	:	TELECAST & BROADCAST



T.V. Today Network Limited

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANY

Name of the Subsidiary Company	T.V. Today Network (Business) Ltd.
1. Financial Year of the Company ended on	31.03.2011
2. Holding Company's Interest:	
(i) Equity Shares of Rs. 10 each	
(a) Number of Shares Fully Paid	1,50,000
(b) Extent of Holding	100%
3. Net aggregate amount of profit/(Loss) of the Subsidiary, so far as they concern members of T.V. Today Network Limited.	
(i) For the said financial year of the Subsidiary:	
(a) Dealt with in the accounts of Holding Company:	NIL
(b) Not dealt with in the accounts of the Holding Company:	45,658
(ii) For the previous financial years of the Subsidiary since it has become the Holding Company's subsidiary	150,973

As the financial year of the Subsidiary Company coincide with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956, is not applicable.

For and on behalf of the Board

Sd/-
Puneet Jain
*GM-Legal & F&A &
Company Secretary*

Sd/-
Gulab Makhija
*VP - Finance
& Accounts*

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
*Chairman &
Managing Director*

Place : New Delhi
Date : May 30, 2011

Auditors' Report on the Consolidated Financial Statements of TV Today Network Limited

The Board of Directors of TV Today Network Limited

1. We have audited the attached consolidated Balance Sheet of TV Today Network Limited (the "Company") and its subsidiary, hereinafter referred to as the "Group" (refer Note A (b) on Schedule Q to the attached consolidated financial statements) as at March 31, 2011, the related consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements, notified under Section 211 (3C) of the Companies Act, 1956.
4. Without qualifying our report, we draw attention to note B(9) on Schedule Q regarding carrying value of investment in Mail Today Newspapers Private Limited (Mail Today) amounting to Rs. 45.5 Crores. As mentioned in the note, based on projections and independent valuation of Mail Today, the Company is of the view that the carrying value of the advance is appropriate and accordingly, no provision therefore is considered necessary. The carrying value of the investment is dependant on the above future developments, the outcome of which cannot be presently determined.
5. In our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011;
 - b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Sd/-
S. Mukherjee
Partner

Place : Gurgaon
Date : May 30, 2011

Membership No. 57084



BALANCE SHEET (CONSOLIDATED) AS AT MARCH 31, 2011

Schedule	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)	
I. Sources of Funds			
(1) Shareholders' Funds:			
(a) Capital	A	297,283,075	288,958,080
(b) Share Suspense	A (a)	-	8,279,995
(b) Employee Stock Options Outstanding	A (b)	5,550,943	4,129,127
(c) Reserves and surplus	B	2,821,471,482	2,748,441,151
(2) Loan Funds:			
(a) Secured loans	C	178,744,914	297,859,384
(b) Unsecured Loans	D	-	360,540,626
TOTAL		3,303,050,414	3,708,208,363
II. Application of Funds			
(1) Fixed Assets			
(a) Gross block	E	2,020,672,993	1,995,935,752
(b) Less: Depreciation		1,387,082,613	1,258,366,359
(c) Net block		633,590,380	737,569,393
(d) Capital work - in - progress		873,789,802	579,952,292
		1,507,380,182	1,317,521,685
(2) Deferred Tax Asset- Net	Q[B(2)]	111,535,022	126,795,624
(3) Investments			
	F	473,180,430	17,696,941
(4) Current Assets, Loans and Advances			
(a) Interest Accrued on Fixed Deposits		3,614,422	37,147,309
(b) Sundry debtors	G	986,423,812	860,243,109
(c) Cash and bank balances	H	329,824,555	1,297,772,692
(d) Loans and advances	I	625,463,169	746,703,143
		1,945,325,958	2,941,866,253
Less: Current Liabilities and Provisions			
(a) Liabilities	J	614,150,964	578,791,628
(b) Provisions	K	120,220,214	116,880,512
		734,371,178	695,672,140
Net Current Assets		1,210,954,780	2,246,194,113
TOTAL		3,303,050,414	3,708,208,363
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS			
	Q		

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

The Schedules referred to above form an integral part of the Balance Sheet.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants
Sd/-
S. Mukherjee
Partner
Membership No. 57084

For and on behalf of the Board

Sd/-
Puneet Jain
Company Secretary
GM-Legal & F&A

Sd/-
Gulab Makhija
VP- F&A

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Chairman &
Managing
Director

Place : Gurgaon
Date : May 30, 2011

PROFIT AND LOSS ACCOUNT (CONSOLIDATED) FOR THE YEAR ENDED MARCH 31, 2011

Schedule	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
INCOME		
Income from Broadcasting Operations	2,932,615,907	2,848,156,217
Other Income	95,520,262	231,171,604
	<u>3,028,136,169</u>	<u>3,079,327,821</u>
EXPENDITURE		
Employee Cost	877,302,178	840,232,209
Production Cost	386,705,953	348,938,145
Administrative and Other Costs	1,410,066,342	1,138,774,005
Finance Charges	9,458,252	70,486,427
Depreciation	160,064,695	211,003,875
	<u>2,843,597,420</u>	<u>2,609,434,661</u>
Profit before taxation	184,538,749	469,893,160
Current Tax [amount provided for earlier years Rs. Nil (Previous Year Rs. 20,656,701)]	45,038,743	104,726,293
MAT Credit	-	(84,000,000)
Deferred Tax	15,260,602	140,499,566
Tax Expense	60,299,345	161,225,859
PROFIT AFTER TAXATION	124,239,404	308,667,301
Balance brought forward	1,551,101,775	1,343,144,450
Profit available for appropriation	1,675,341,179	1,651,811,751
Proposed Dividend	44,599,211	43,343,712
Corporate Dividend Tax on Proposed Dividend	7,234,012	7,366,264
Transfer to General Reserves	6,500,000	50,000,000
Balance carried forward to Balance Sheet	1,617,007,956	1,551,101,775
Earnings Per Share of nominal value of Rs.5 each. [Refer Note 5 on Schedule Q(B)]	2.15	5.21
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	Q	

This is the Profit & Loss Account referred to in our report of even date. The Schedules referred to above form an integral part of the Profit & Loss Account

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants
Sd/-
S. Mukherjee
Partner
Membership No. 57084

For and on behalf of the Board

Sd/-
Puneet Jain
Company Secretary
GM-Legal & F&A

Sd/-
Gulab Makhija
VP- F&A

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Chairman &
Managing
Director

Place : Gurgaon
Date : May 30, 2011



FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - A		
SHARE CAPITAL		
Authorised		
68,000,000 (Previous year 68,000,000) Equity Shares of Rs. 5/- each	340,000,000	340,000,000
300,000 (Previous year 300,000) Preference Shares of Rs 100/- each	30,000,000	30,000,000
	<u>370,000,000</u>	<u>370,000,000</u>
Issued, Subscribed and Paid-up		
59,456,615 (Previous year- 57,791,616) Equity shares of Rs. 5/- each fully paid up	297,283,075	288,958,080
33,954,333 (Previous year- 32,300,000) Equity shares of Rs.5/- each are held by Living Media India Limited, the Holding Company. Note: of the above 1,655,999 equity shares (Previous years Nil) are allotted as fully paid up pursuant to a contract with payments being received in cash		
SCHEDULE A (a)		
Share Suspense	-	8,279,995
1,655,999 shares of Rs 5 each fully paid, pending allotment.		
SCHEDULE A (b)		
[Refer Note 4 Schedule Q(B)]		
Employee Stock Options Outstanding		
Stock options granted during the year	8,692,500	5,077,500
Less: Deferred employee compensation expense	3,141,557	948,373
TOTAL	<u>5,550,943</u>	<u>4,129,127</u>
SCHEDULE - B		
RESERVES AND SURPLUS		
Securities Premium		
Opening Balance	522,810,044	1,204,626,346
Add: Share premium received on issue of Equity Shares	624,150	1,907,036
Less: Share Premium adjusted on Buy back of shares	-	15,871,038
Less: Adjustment on account of Scheme of Arrangement	-	667,852,300
Closing Balance	<u>523,434,194</u>	<u>522,810,044</u>
General Reserve		
Opening Balance	674,529,332	375,000,000
Add: Additions during the year	6,500,000	50,000,000
Add: Deffered Tax Assets - Adjustment on account of Scheme of Arrangement (approved by shareholders and sanctioned by the Hon'ble High Court at Delhi)	-	249,529,332
	<u>681,029,332</u>	<u>674,529,332</u>
Profit & Loss account		
Balance transferred from the Profit and Loss Account	1,617,007,956	1,551,101,775
TOTAL	<u>2,821,471,482</u>	<u>2,748,441,151</u>

FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - C		
SECURED LOANS		
From Banks :-		
Term Loan	-	225,000,000
(Secured by first charge on all present & future moveable Fixed Assets & Corporate Gurantee furnished by Living Media India Limited, the Holding Company. Repayable within one year Rs. 33,333,333		
Interest Accrued & Due	-	2,859,384
Short Term Loan	-	70,000,000
(Secured by present & future Book Debts, and Corporate Guarantee given by Living Media Limited, the Holding Company		
Cash Credit	178,744,914	-
(Cash Credit facilities have been secured against first charge by way of hypothecation of the whole of book-debts)		
TOTAL	<u><u>178,744,914</u></u>	<u><u>297,859,384</u></u>
SCHEDULE -D		
UNSECURED LOANS		
Other Loans & Advances		
From others (Living Media India Ltd, the holding company)	-	360,540,626
TOTAL	<u><u>-</u></u>	<u><u>360,540,626</u></u>

FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011
**SCHEDULE - E
FIXED ASSETS**

[Refer Notes (c), (d) and (e) of Schedule Q (A)]

Particulars	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK			
	As at 01-4-2010 Rs.	Additions Rs.	Deletions/ Adjustments Rs.	As at 31-03-2011 Rs.	As at 1-04-2010 Rs.	For the year Rs.	Deletions/ Adjustments Rs.	As at 31-03-2011 Rs.	As at 31-03-2010 Rs.	
	Leasehold Land	120,359,050	-	-	120,359,050	8,244,595	1,648,919	-	110,465,536	112,114,455
Leasehold Improvements	97,700,946	-	-	97,700,946	74,999,129	6,696,800	-	16,005,017	22,701,817	
Plant & Machinery	1,431,153,401	13,841,596	21,873,796	1,423,121,201	962,863,949	107,869,870	20,516,994	372,904,376	468,289,452	
Computers	90,746,660	6,015,805	-	96,762,465	60,902,345	8,925,977	-	26,934,143	29,844,315	
Office Equipments	40,024,082	125,352	2,456,161	37,693,273	26,147,140	3,077,780	2,456,161	10,924,514	13,876,942	
Furniture & Fixtures	35,355,872	122,900	-	35,478,772	21,162,912	7,234,006	-	7,081,854	14,192,960	
Vehicles	69,672,285	22,244,494	10,039,490	81,877,289	30,080,574	13,795,681	8,375,286	46,376,320	39,591,711	
Intangible Assets										
- Production Software	71,794,211	16,313,978	-	88,108,189	65,468,307	6,755,477	-	15,884,405	6,325,904	
- Computer Software	3,329,245	442,563	-	3,771,808	3,293,109	88,078	-	390,621	36,136	
- CTI Site BECIL	35,800,000	-	-	35,800,000	5,204,299	3,972,107	-	26,623,594	30,595,701	
TOTAL	1,995,935,752	59,106,688	34,369,447	2,020,672,993	1,258,366,359	160,064,695	31,348,441	1,387,082,613	737,569,393	
Capital Work-in-progress (includes capital advances amounting to Rs. 124,117,632/- (Previous year Rs. 16,628,120/-))									873,789,802	
Total									1,507,380,182	1,317,521,685
PREVIOUS YEAR	1,906,362,673	113,481,464	23,908,385	1,995,935,752	1,063,523,062	211,003,875	16,160,578	1,258,366,359	737,569,393	

FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - F		
Investments - at cost		
[Refer Note (g) of Schedule Q(A)]		
Long Term		
Trade Investments (Unquoted)		
Mail Today NewsPapers Pvt. Limited 10,510,510 equity shares (Previous Year Nil equity shares) of Rs. 43.29 per share fully paid-up	455,212,482	-
Non trade investments		
In Mutual Funds (Quoted)		
1,439,232 units (Previous Year 1,439,232 units) of Prudential ICICI Gilt Fund- Investment Plan	20,000,000	20,000,000
TOTAL	475,212,482	20,000,000
Less :		
Provision for diminution in value of Investments	2,032,052	2,303,059
	473,180,430	17,696,941
Note:		
Market value of quoted investments	17,967,948	17,696,941
SCHEDULE - G		
SUNDRY DEBTORS (Unsecured)		
Outstanding for a period exceeding six months		
- Considered good	83,396,719	130,647,117
- Considered doubtful	56,760,012	45,268,547
	140,156,731	175,915,664
Other Debts		
- Considered good	903,027,093	729,595,992
- Considered doubtful	28,524,129	19,262,074
	931,551,222	748,858,066
TOTAL	1,071,707,953	924,773,730
Less: Provision for doubtful debts	85,284,141	64,530,621
TOTAL	986,423,812	860,243,109
SCHEDULE - H		
CASH AND BANK BALANCE		
Cash in hand	1,007,668	700,591
Balance with scheduled banks		
- Current Accounts	22,652,228	31,500,707
- Dividend Accounts	1,358,474	1,176,552
- Deposit Accounts	304,806,185	1,263,498,301
- Cheques in Hand	-	896,541
TOTAL	329,824,555	1,297,772,692



FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - I		
LOANS & ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	283,814,571	224,956,715
Advance Income Tax [Net of Provision on Income Tax 1,200,409,203 (Previous Year Rs. 1,155,888,882)]	257,906,609	252,504,451
MAT Credit	83,500,000	84,000,000
Advance Fringe benefit Tax [Net of Provision Rs 47,376,255 (Previous Year Rs. 47,376,255)]	241,989	241,989
Advance Towards Share Subscription (Refer Note 12 on Schedule Q(B))	-	184,999,988
	<u>625,463,169</u>	<u>746,703,143</u>
Considered doubtful	14,778,147	13,862,557
Less: Provision for doubtful Advance	14,778,147	13,862,557
	<u>-</u>	<u>-</u>
TOTAL	<u>625,463,169</u>	<u>746,703,143</u>

* Includes amounts due from Director and officer Rs 52,554 (Previous Year Rs.123,553) and maximum outstanding balance at any time during the year of Rs. 123,553 (Previous Year Rs. 180,849)

SCHEDULE - J		
CURRENT LIABILITIES		
Sundry Creditors - other than Micro, Small and Medium Enterprises [Refer Note 10 Schedule Q (B)]	457,073,820	396,342,230
Other Liabilities	104,784,930	102,982,830
Advances from Customers	15,745,112	18,852,743
Security Deposits	35,188,628	31,929,426
Book Overdraft	-	27,507,847
Un-Claimed Dividend*	1,358,474	1,176,552
	<u>614,150,964</u>	<u>578,791,628</u>
TOTAL	<u>614,150,964</u>	<u>578,791,628</u>

*No amount is payable to Investor Protection Fund.

SCHEDULE - K		
PROVISIONS		
Provision for Gratuity [Refer Note 3(II) on Schedule Q(B)]	-	7,998,328
Provision for Leave Encashment [Refer Note 3(II) on Schedule Q(B)]	68,393,741	58,172,208
Proposed Dividend	44,592,461	43,343,712
Corporate Dividend Tax on Proposed Dividend	7,234,012	7,366,264
	<u>120,220,214</u>	<u>116,880,512</u>
TOTAL	<u>120,220,214</u>	<u>116,880,512</u>

FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
SCHEDULE - L		
OTHER INCOME		
Interest on Bank Deposit [Gross of Tax deducted at source Rs. 4,491,962 (Previous Year Rs. 13,764,796)]	42,151,379	116,139,803
Dividend Income (from non trade investments)	717,991	1,231,697
Miscellaneous Income	8,548,306	4,419,432
Fees from training	1,171,071	1,951,603
Profit (Net) on sale of fixed Assets	1,608,208	305,092
Gain on sale of Investment (Net) (from non trade investments)	-	60,664,428
Provisions/Liabilities no longer required written back	41,323,307	46,459,549
	95,520,262	231,171,604
 SCHEDULE - M		
EMPLOYEE COST		
Salaries, Wages and Allowances *	810,366,234	783,380,037
Contribution to Provident and Other Funds	60,105,658	52,288,373
Staff And Workers' Welfare	6,830,286	4,563,799
	877,302,178	840,232,209
 SCHEDULE - N		
PRODUCTION COST		
Reporting Expenses	109,675,606	70,980,643
Up linking Charges	19,923,065	23,742,540
Assignment Charges	1,851,556	4,527,768
Production Expenses	165,895,454	166,692,473
Subscription	14,470,226	11,110,671
Consumables	5,024,493	5,040,974
Transponder Lease Rentals	67,898,824	65,969,177
Programme Procurement	1,966,729	873,899
	386,705,953	348,938,145

* Including amortisation of Deferred ESOP cost Rs. 1,556,816 (Previous Year Rs. 1,189,303)



FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
SCHEDULE - O		
ADMINISTRATIVE AND OTHER COSTS		
Advertising, Distribution and Sales Promotion	842,651,941	602,904,797
Communication Expenses	33,801,352	35,860,496
Travelling and Conveyance	105,935,496	78,149,150
Car Hire Charges	43,143,857	37,472,776
Rent [Refer note 8 on Schedule Q(B)]	125,811,031	115,313,260
Legal and Professional Charges	15,851,219	22,481,093
Electricity and Water	45,286,481	43,874,868
Vehicle Running and Maintenance	8,053,618	7,597,539
Insurance	13,468,087	11,433,098
Agency Incentive	15,700,773	20,571,503
Housekeeping	33,626,385	31,071,077
Repairs and Maintenance		
- Plant & Machinery (Net of Insurance claim)	29,970,875	32,058,003
- Other	7,305,058	7,344,950
Newspapers and Periodicals	947,454	879,885
Business Promotion	14,217,203	9,175,223
Foreign Exchange Fluctuation (net)	409,705	2,152,715
Printing and Stationary	3,907,809	3,518,536
Freight and Courier	2,059,488	1,676,001
Guard Services	9,943,720	7,448,440
Rates and Taxes	2,578,284	3,469,295
Bad Debts & Advances written off	605,622	-
Miscellaneous Expenditure written off	-	9,725,960
Provision for Doubtful Debts & Advances	37,856,399	18,151,576
Fixed Assets written off	1,356,802	-
Technical Consultancy Fees	11,618,917	29,484,569
Software Expenses	332,400	537,726
Miscellaneous Expenses [Includes prior period expenditure of Rs. 170,348 (Previous Year Rs. 895,374)]	3,626,366	5,857,146
Diminution in value of Investment	-	564,323
	<u>1,410,066,342</u>	<u>1,138,774,005</u>

SCHEDULE - P
INTEREST & FINANCE CHARGES

Interest		
- Term Loan	6,659,444	64,777,905
- Cash Credit	402,726	40,026
- Others	33,258	17,088
Finance Charges	2,362,824	5,651,408
TOTAL	<u>9,458,252</u>	<u>70,486,427</u>

SCHEDULE - Q

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

The financial statements are prepared under the historical cost convention to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

The Company follows mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

b. Principles of consolidation

These accounts represent consolidated accounts of the Company and its wholly owned subsidiary, incorporated in India as follows:

Entity	Relationship	Shareholding as at March 31, 2011	Shareholding as at March 31, 2010
T.V. Today Network (Business) Limited	Subsidiary	100%	100%

c. Fixed Assets

Fixed assets are stated at their original cost and include all expenses relating to acquisition and installation.

Fixed Assets include digital satellite receivers, included under Plant and Machinery, generally installed at the premises of the channel partner.

d. Intangible Assets

Acquired Intangible Assets expected to provide future enduring benefits are stated at their original cost and include all expenses relating to acquisition and installation.

e. Depreciation/ Amortization

- Depreciation on Fixed Assets (other than Leasehold Improvements, Digital Satellite Receiver boxes and Intangibles) is provided on straight-line method at the rates prescribed in Schedule XIV on triple shift basis.
- Leasehold Land and Leasehold Improvements are written off over the period of the lease.
- Assets costing less than Rs.5000/- are depreciated over a period of 12 months.
- Digital Satellite Receiver Boxes (included in Plant & Machinery) are being depreciated over the useful life of 3 years at the rate of 33.33% per annum on straight-line method.
- Intangible Assets are amortized on a Straight Line basis over their estimated useful life on a case to case basis.

f. Revenue recognition

Income from broadcasting operations: Advertisement Revenue is recognized for the period for which services have been provided and for which there is certainty of ultimate collection, Subscription revenue is recognized on the basis of the terms of the contract with the distributor.

g. Investments

Long-term investments are stated at cost of acquisition. Provision is made for diminution, other than temporary, in the carrying value thereof, in valuation of investments. Current Investments are stated at lower of cost or fair value.

h. Employee benefits

(a) Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

(b) Long Term Employee Benefits

i) Defined Contribution plan

Company's contributions To Provident Fund, Employees' State Insurance Scheme and Employee Pension Scheme, which are Defined Contribution Schemes, are expensed in the Profit and Loss Account at the year when the contributions are due. The Company has no further obligations under these plans beyond its monthly contributions to the respective government funds.

(ii) Defined benefit plan

The Company provides for the liability at year end on account of gratuity and leave encashment as per the actuarial valuation carried out by independent actuary at the year end as per the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Profit and Loss Accounts as income or expense.

The Gratuity Plan of the Company provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. Gratuity Fund is recognized by the income tax authorities and is administered and managed by the Life Insurance Corporation of India ("LIC").

(iii) Termination benefits are recognized as an expense immediately.

i. Foreign currency transactions

- Foreign exchange transactions during the year are recorded at the exchange rates prevailing on the dates of the transactions. Gains or losses out of fluctuations in rate between transaction date and settlement date are recognized in the Profit and Loss account.
- Monetary Assets and Liabilities are translated into rupees at the exchange rates prevailing at year-end rate and overall net gain / loss is adjusted in the Profit and Loss Account.

j. Taxes on Income

Tax expense for the Year, comprising current tax and deferred tax is included in determining the net profit for the year. Current Tax is provided for in accordance with the provision of Income Tax Act, 1961.

Deferred tax assets and liabilities are recognized for all timing differences between accounting income and taxable income and are measured at the tax rates that have been enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are carried forward to the extent there is reasonable certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realized. Deferred Tax Assets in respect of unabsorbed depreciation or brought forward losses are recognized to the extent of virtual certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

k. Leases

Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the profit and loss account, on a straight line basis over the lease term.

l. Earnings per Share

Basic Earning Per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earning per share the net Profit/ (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all diluted potential equity shares

m. Borrowing Cost

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

n. Employee stock based compensation

The Company calculates the employee stock compensation expense based on the intrinsic value method wherein the excess of market price of underlying equity shares as on the date of the grant of options over the exercise price of the options given to employees under the Employee Stock Option Scheme of the Company, is recognized as deferred stock compensation expense and is amortized over the vesting period on the basis of generally accepting accounting principles in accordance with the guidelines of Securities and Exchange Board of India and guidance note issued by the Institute of Chartered Accountants of India.

o. Provisions

Provisions are recognized when the Company has a present obligation as a result of past event and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure for

contingent liabilities made when this is a possible obligation or a present obligation that probably will not require an outflow of resource or where a reliable entrance of obligation cannot be made.

p. Impairment of Assets

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

B. NOTES TO ACCOUNTS

1. Capital Commitments / Contingent Liabilities:

- (a) Estimated amounts of contract remaining to be executed on capital account, net of advances, not provided for Rs. 299,551,612 (Previous year Rs. 235,817,263)
- (b) The Company received claims from Prasar Bharti in earlier years towards uplinking charges and telecast fees which were disputed by the Company. Prasar Bharti also raised claims towards interest for non payment of dues from time to time, which also were disputed by the Company. Total claims as at 31st March 2011 amounted to Rs.100,197,555 and the disputes were referred to various legal forums. Pending final outcome in respect of such disputes, the Company made provision on an estimated basis which amounted to Rs.67,484,026 including Rs. 1,953,157 which was made in current year. In the opinion of the management, based on its understanding of the cases and as advised by their counsel, the provision made in the books is considered adequate.
- (c) The Company has received legal notice of claim / lawsuit filed against it in respect of programmes aired on the Channels. In the opinion of the management, no liability is likely to arise on account of such claim / lawsuit.
- (d) The Company has received demand notices from Income Tax department amounting to Rs. 87,411,396 (Previous Year 54,995,989). The Company has contested the same and in the opinion of the management, no liability is likely to arise on account of such demand notices.
- (e) Bank Guarantees outstanding Rs. 28,554,699 (Previous Year Rs. 8,714,420)

2. Deferred Tax

The Deferred tax Asset / (Liability) comprises of the following:

Deferred Tax Assets/(Liabilities) arising from	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
Provision for Bad & doubtful debts/advances charged in the financial statements but allowed as deduction under the Income Tax Act in future years (to the extent considered realizable)	32,206,862	21,933,958
Provision for gratuity and leave Encashment	5,099,885	4,843,139
Other disallowances as per the Income tax Act, 1961	14,936,840	3,330,673
Brought Forward Business Losses and Unabsorbed Depreciation	-	34,979,188
Depreciation claimed as deduction under the Income Tax Act but chargeable in the financial statements in future years	59,291,435	61,708,666
Net Deferred Tax Asset / (Liability)	111,535,022	126,795,624



3. During the year, the Company has recognised the following amounts in the Profit and Loss Account

I. Defined Contribution Plans

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
- Employers' Contribution to Provident Fund *	27,945,992	21,319,023
- Employers' Contribution to Employee's Pension Scheme 1995 *	6,863,776	6,415,409

* Included in Contribution to Provident and Other Funds under Employees' Cost (Refer Schedule M)

II. Defined Benefit Plans

(A) The assumptions used to determine the benefit obligations are as follows:

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Discount Rate (Per Annum)	8.00%	7.90%	7.10%	8.00%	7.50%
Rate of increase in Compensation levels	6.50%	6.50%	6.50%	6.50%	6.50%
Expected Rate of Return on Plan Assets (for gratuity)	9.25%	9.25%	9.25%	9.25%	9.00%
Expected Average remaining working lives of employees (years)	24.69	25.30	26	27.09	26.41

The expected return on plan assets is based on actuarial expectation of average long term rate of return expected on investment of the funds during the estimated term of the obligation.

(B) Changes in the Present Value of Obligation

(i) Leave Encashment (Unfunded)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Present Value of Obligation as at April 1, 2010	58,172,208	45,138,967	19,157,626	15,551,357	13,302,251
Acquired on account of arrangement	Nil	841,648	Nil	Nil	Nil
Interest Cost	4,596,405	3,267,991	1,532,610	1,244,109	997,669
Current Service Cost	9,341,722	18,272,452	9,792,962	5,355,458	4,445,764
Benefits Paid	(2,201,847)	(1,341,801)	(1,926,459)	(6,237,696)	(2,336,187)
Actuarial (gain)/ loss on obligations	(1,514,747)	(8,007,049)	16,582,228	3,244,398	(858,140)
Present Value of Obligation as at March 31, 2011	68,393,741	58,172,208	45,138,967	19,157,626	15,551,357

(ii) Gratuity

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Present Value of Obligation as at April 1, 2010	46,042,373	35,079,134	24,001,092	20,846,988	18,132,110
Acquired on account of arrangement	Nil	612,957	Nil	Nil	Nil
Interest Cost	3,637,961	2,536,591	1,920,087	1,667,759	1,359,908
Past Service Cost	Nil	5,784,762	Nil	Nil	Nil
Current Service Cost	9,736,233	8,396,513	7,482,071	5,124,212	4,970,359
Benefits Paid	(912,272)	(1,236,000)	(961,943)	(3,321,952)	(1,616,737)
Actuarial (gain)/ loss on obligations	(468,381)	(5,131,584)	2,637,827	(315,914)	(1,998,652)
Present Value of Obligation as at March 31, 2011	58,035,914	46,042,373	35,079,134	24,001,092	20,846,988

(C) Changes in the Fair Value of Plan Assets (For Gratuity)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Fair Value of Plan Assets as at April 1, 2010	38,044,046	32,547,525	23,690,240	11,862,394	12,419,201
Acquired on account of amalgamation	Nil	Nil	Nil	Nil	Nil
Expected Return on Plan Assets	3,511,849	3,010,646	2,191,347	1,097,271	1,117,728
Actuarial Gain/(Loss)	Nil	(54,114)	(61,548)	182,469	(57,798)
Contributions	20,113,124	3,775,989	7,689,429	13,870,059	Nil
Benefits Paid	(912,272)	(1,236,000)	(961,943)	(3,321,953)	(1,616,737)
Fair Value of Plan Assets at March 31, 2011	60,756,747	38,044,046	32,547,525	23,690,240	11,862,394

(D) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets (For Gratuity)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Present Value of funded Obligation as at March 31, 2011	58,035,914	46,042,373	35,079,134	24,001,093	20,846,988
Fair Value of Plan Assets as at the end of the period	60,756,747	38,044,046	32,547,524	23,690,240	11,862,394
Funded Status	2,720,833	(7,998,328)	(2,531,610)	(310,853)	(8,984,594)
Unrecognized Actuarial (gains)/ Losses	Nil	Nil	Nil	Nil	Nil
Net Asset/(Liability) Recognized in Balance Sheet	2,720,833	(7,998,328)	(2,531,610)	(310,853)	(8,984,594)



T.V. Today Network Limited

(E) Expense recognised in the Profit and Loss Account

(i) Leave Encashment

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Current Service Cost	9,341,722	18,272,452	9,792,962	5,355,458	4,445,764
Past Service Cost	Nil	Nil	Nil	Nil	Nil
Interest Cost	4,596,405	3,267,991	1,532,610	1,244,109	997,669
Net actuarial (gain)/ loss recognized in the period	(1,514,747)	(8,007,049)	16,582,228	3,244,398	(858,140)
Total Expenses recognized in the Profit & Loss Account	12,423,380**	13,533,394**	27,907,800	9,843,965	4,585,293

** included in Contribution to Provident and Other Funds (Refer Schedule M)

(ii) Gratuity

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Current Service Cost	9,736,233	8,396,513	7,482,071	5,124,212	4,970,359
Past Service Cost	Nil	5,784,762	Nil	Nil	Nil
Interest Cost	3,637,961	2,536,591	1,920,087	1,667,759	1,359,908
Expected Return on Plan assets	(3,511,849)	(3,010,646)	(2,191,347)	(1,097,271)	(1,117,728)
Net actuarial (gain)/ loss recognized in the period	(468,381)	(5,077,470)	2,699,375	(498,383)	(1,940,854)
Total Expenses recognized in the Profit & Loss Account	9,393,964**	8,629,750**	9,910,186	5,196,317	3,271,685

** included in Contribution to Provident and Other Funds (Refer Schedule M)

(F) Constitution of Plan Assets (For Gratuity)

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Total of the Plan Assets	60,756,747*	38,044,046*	32,547,525*	23,690,240*	11,862,394*

* The contribution is made to LIC and the detailed information of Planned Assets has not been provided by LIC.

(Rs.)

	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Actual return on Plan Assets	3,511,849	3,010,646	2,191,347	1,097,271	1,117,728

4. EMPLOYEE STOCK OPTION PLAN – ESOP 2006

The Company instituted the Employee Stock Option Plan – (TVTN ESOP 2006), to grant equity – based incentives to its eligible employees. The TVTN ESOP 2006 had been approved by the board of directors in their meeting held on 21st August 2006 and by shareholders in their meeting held on 28th September 2006, for grant of 2,900,000 options representing one share for each option upon exercise by the employees of the Company at a exercise price determined by Board/Remuneration Committee. The equity shares covered under the scheme shall vest over a period of four years; vesting shall vary based on the meeting of the performance Criteria. The Optionee may exercise their vested options at any moment after the earliest applicable vesting date and prior to the completion of ten years from the grant date.

Accordingly the Company under the intrinsic value method has recognized the excess of the market price over the exercise price of the option amounting to Rs. 1,556,816 as an expense during the year. Further, the liability Outstanding as at the March 31, 2011 in respect of Employees Stock Options Outstanding is Rs. 8,692,500. The balance deferred compensation expense Rs. 3,141,557 will be amortized over the remaining vesting period of Options.

The movement in the options granted to employees during the year ended March, 31 2011 under the ESOP 2006 is set out below:

	First Grant	Second Grant	Third Grant	Fourth Grant
Date of Grant	December 1, 2006	March 1, 2007	December 1, 2007	June 24, 2008
Market value on date of grant of the Underlying equity shares	Rs. 74.35	Rs. 134.85	Rs. 152.75	Rs. 93.15
Exercise Price				
(50% of options)	Rs. 74.35	Rs. 134.85	Rs. 152.75	Rs. 93.15
(balance 50% of options)*	Rs. 44.35	Rs. 104.85	Rs. 122.75	Rs. 63.15
Vesting Period	4 Years	4 Years	4 Years	4 Years
Options outstanding at the beginning of year (Nos)	154,000	55,000	15,000	113,000
Options granted (Nos)	-	-	-	-
Options forfeited (Nos)	-	-	-	9,000
Options exercised (Nos)	9,000	Nil	Nil	Nil
Options Expired (Nos)	Nil	Nil	Nil	Nil
Options outstanding at the end of year (Nos) **	145,000	55,000	15,000	104,000
Options Exercisable at the year end	145,000	55,000	9,000	31,200
	Fifth Grant	Sixth Grant	Seventh Grant	
Date of Grant	April 5, 2010	May 20, 2010	Sep 30, 2010	
Market value on date of grant of the Underlying equity shares	Rs. 113.90	Rs. 102.85	Rs. 85.15	
Exercise Price				
(50% of options)	Rs. 113.90	Rs. 102.85	Rs. 85.15	
(balance 50% of options)*	Rs. 83.90	Rs. 72.85	Rs. 55.15	
Vesting Period	4 Years	4 Years	4 Years	
Options outstanding at the beginning of year (Nos)	Nil	Nil	Nil	
Options granted (Nos)	21,500	37,500	200,000	
Options forfeited (Nos)	Nil	Nil	Nil	
Options exercised (Nos)	Nil	Nil	Nil	
Options Expired (Nos)	Nil	Nil	Nil	
Options outstanding at the end of year (Nos.)**	21,500	37,500	200,000	
Options Exercisable at the year end	Nil	Nil	Nil	

* Maximum discount of Rs. 30/- which may vary between Rs. 0 to Rs. 30/- based on the employee's performance.

** Weighted average remaining contractual life of 1.28 years.

The fair value of the options granted during the year under the TVTN ESOP -2006 is estimated on the date of grant using the Black- Scholes model with the following assumptions.

	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006	TVTN ESOP 2006
Date of Grant	December 1, 2006	March 1, 2007	December 1, 2007	June 24, 2008	April 5, 2010	May 20, 2010	Sept. 30, 2010
Risk Free Interest	7.35%	7.87%	8.07%	8.83%	8.09%	7.94%	8.10%
Expected Life*	10 Years	10 Years	10 Years	10 Years	10 Years	10 Years	10 Years
Expected Volatility**	48.28%	55.44%	51.27%	58.35%	54.44%	52.40%	43.13%
Expected Dividend	1.01%	0.56%	0.49%	0.83%	0.66%	0.74%	0.89%

* Expected life is taken as the aggregate of the vesting and exercise period.

** Expected volatility is determined on the basis of the "share price – volume data" available at www.nseindia.com.



T.V. Today Network Limited

The impact on the profit of the Company for the year ended March 31, 2011 and the basic and diluted earnings per share had the Company followed the fair value method of accounting for stock options is set out below:

	Amount Rs.
Profit/(Loss) after tax as per Profit and Loss Accounts (a)	124,239,404
Add: Employee Stock Compensation Expense as per Intrinsic Value Method	1,556,816
Less: Employee Stock Compensation Expense as per Fair Value Method	5,133,150
Profit/(Loss) after tax recomputed for recognition of employee stock Compensation expense under fair value method (b)	120,663,070
Earnings per Share as computed on earnings as per (a) above (Rs.)	
- Basic	2.15
- Diluted	2.15
Earnings per Share as computed on earnings as per (b) above (Rs.)	
- Basic	2.09
- Diluted	2.09

5. Earning per share

Description	Year Ended March 31, 2011	Year Ended March 31, 2010
Net profit after Tax (Rs.) (a)	124,239,404	308,667,301
Number of equity share outstanding at the end of the year /weighted average of number of equity Shares used in computing basic earning per share (Nos) (b)	57,844,137	57,797,767
Number of equity share outstanding at the end of the year/weighted average of number of equity Shares used in computing diluted earning per share (Nos) (c)	59,456,615	59,510,622
Nominal Value per Share (Rs.)	5	5
Basic Earnings per share (a/b)	2.15	5.34
Diluted Earnings per share (a/c)	2.15	5.21

6. As identified and certified by the Company, Related Party Disclosures as per the requirement of Accounting Standard 18 issued by the Institute of Chartered Accountants of India:

(I). Name of the related party and nature of related party relationship where control exists:

- (a) **Key Management Personnel (KMP):**
 - Mr. Aroon Purie (Managing Director)
 - Ms. Koel Purie Rinchet (Whole Time Director)
- (b) **Entities Controlling the Company (Holding Companies):**
 - World Media Private Limited ^
 - Living Media India Limited
- (c) **Subsidiary Companies :**
 - T.V. Today Network (Business) Limited
- (d) **Fellow Subsidiary Companies :**
 - Thomson Press (India) Ltd.
 - Living Media International Ltd.
 - Radio Today Broadcasting Limited
 - Mail Today News Papers Ltd.
- (e) **Companies under common control :**
 - Integrated Databases India Limited

^ No transactions during the year

(II). Transactions with related parties during the year in the ordinary course of business:

(Amount Rs.)

Name of Transaction	Holding Company	Companies under common control	Fellow Subsidiaries	KMP	Total
Purchase of Ad space/ material*	60,955	-	-	-	60,955
	(1,526,662)	-	-	-	(15,26,662)
Income from Broadcasting operations*	21,658,124	-	322,130#	-	21,980,254
	(15,318,677)	-	-	-	(15,318,677)
Sale of recorded tapes*	-	-	-	-	-
Management fee	600,000	44,000	-	-	644,000
	(600,000)	-	-	-	(600,000)
Purchase of fixed Assets	85,980	-	-	-	85,980
Sale of Fixed Assets	-	-	-	-	-
	(4,950,001)	-	-	-	(4,950,001)
SMS charges	86,239	-	-	-	86,239
	(315,952)	-	-	-	(315,952)
Screen Rent	-	-	-	-	-
	(10,588,800)	-	-	-	(10,588,800)
Rent payment made to related parties for use of common facilities/ utilities	10,538,876	-	1,273,968**	-	11,812,844
	(12,101,220)	-	(181,182)#	-	(13,662,531)
	(1,380,129)**	-	-	-	(13,662,531)
Rent charged to related parties for use of common facilities/ utilities	7,974	-	26,472^	-	34,446
	(30,935)	-	-	-	(30,935)
Remuneration / Commission paid	-	-	-	13,609,084	13,609,084
	-	-	-	(20,514,264)	(20,514,264)
Misc Inter-Company service received from related parties & other charges paid	3,022,289	-	879,504**	-	3,901,793
	(5,607,567)	(88,000)	(825,891)#	-	(8,305,490)
	(1,784,032)**	-	-	-	(8,305,490)
Misc Inter-Company services rendered to related parties & other charges received	1,925,611	-	9180**	-	2,589,268
	(686,875)	-	654,477#	-	(1,195,542)
	(508,667)	-	-	-	(1,195,542)
Interest paid on Loans	-	-	-	-	-
	(22,327,883)	-	-	-	(22,327,883)
Loan Received	17,000,000	-	-	-	17,000,000
	(86,695,095)	-	-	-	(86,695,095)
Loan Repayment	377,540,626	-	-	-	377,540,626
Share subscription money paid	-	-	-	-	-
	-	-	270,000,000#	-	270,000,000
	-	-	(184,999,988)#	-	(184,999,988)

(*) The figures include Sales Tax / Service Tax as applicable

(**) Represents transactions with Thomson Press (India) Limited.

(^) Represents transactions with Radio Today Broadcasting Limited.

(#) Represents transactions with Mail Today

Note:

1. Previous year figures are in bracket

2. Other Related Party transactions:

The Company is using certain 2 MB telephone leased obtained from Mahanagar Telephone Nigam Limited. These facilities were originally obtained in the name of Living Media India Limited and are pending transfer in the name of the Company.

(III). Outstanding Balances pertaining to Related Parties

(Amount Rs.)

Name of the Related Party	Amount outstanding as at March 31, 2011	Amount outstanding as at March 31, 2010
Living Media India Limited	(9,210,538)	(385,865,569)
Total Holding Company	(9,210,538)	(385,865,569)
Integrated Databases India Ltd.	Nil	(22,000)
Total Companies Under Common Control	Nil	(22,000)
Radio Today Broadcasting Limited	26,472	-
Thomson Press India Limited	(148,784)	(461,595)
Mail Today News Papers Ltd.	1,122,682	185,777,260
Total Fellow Subsidiary Companies	1,000,370	185,315,665
Aroon Purie(8,210,682)	(19,154,715)	-
Total Director	(8,210,682)	(19,154,715)

Figures in brackets represent amounts payable.



7. Segment Reporting:

(Amount Rs.)

Particulars	TV Broadcasting	Radio Business	Total
Segment Revenue			
Income from Broadcasting	2,890,469,363	42,146,544	2,932,615,907
	(2,804,645,975)	(43,510,242)	(2,848,156,217)
Other Allocable Income	49,963,350	2,416,536	52,379,886
	(53,828,133)	(-692,457)	(53,135,676)
Segment Results	367,541,388	(219,080,846)	148,460,542
	(578,491,382)	(-221,260,733)	(357,230,649)
Diminution in value of Investment			-
			(-564,323)
Interest Expenses			(7,062,170)
			(-64,777,905)
Dividend Income			717,991
			(1,231,697)
Diminution in value of investment written back			271,007
			(-)
Gain on sale of Investment			-
			(60,664,428)
Interest on Bank Deposit			42,151,379
			(116,010,553)
Income tax Expenses			(60,299,345)
			(-161,156,267)
Profit after tax			124,239,404
			(308,638,832)
Other Segment Information			
Capital Expenditure	58,644,782	461,906	59,106,688
	(84,406,610)	(290,748,555)	(113,481,465)
Depreciation for the Year	133,333,717	26,730,978	160,064,695
	(174,238,189)	(36,765,686)	(211,003,875)
Segment Assets	2,538,822,187	238,916,750	2,777,738,937
	(2,195,793,885)	(277,698,664)	(2,473,492,549)
Corporate Assets			806,619,408
			(1,466,519,275)
Advance Tax net of provision			341,668,919
			(336,768,502)
Deferred Tax Assets			111,535,022
			(126,795,624)
Total Assets			4,037,562,286
			(4,403,575,950)
Segment Liabilities	643,797,061	37,291,999	681,089,060
			(694,900,304)
Corporate Liabilities			232,167,731
			(659,018,265)
Shareholder's Fund			3,124,305,495
			(3,049,657,381)
Total Liabilities			4,037,562,286
			(4,403,575,950)
Net non cash expenditure other than depreciation and amortizations			60,920,591
			(18,715,899)

Previous year figures are in bracket

The Company has considered business segment as the primary segment for disclosure. The products included in each of the reported domestic business segments are as follows:

- TV Broadcasting
- Radio Business

The above business segments have been identified considering :

- the nature of services
- the differing risks and return
- the organizations structure and
- the internal financial reporting systems

8. Operating Leases

The Company has cancelable lease arrangements mainly for leasing of office premises and Company leased accommodations for its employees. Terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Profit & Loss account amount to Rs. 125,811,031 (Previous Year: Rs. 115,313,260), net of sublease rental received Rs. 6,637,955 (Previous Year Rs. 5,290,142).

9. The Company has as a strategic decision considered entering into the print media. In this regard, it has acquired some stake in Mail Today Newspapers Private Limited (Mail Today), a differentiated newspaper with respect to content as well as value to its advertisers. Based on the valuation of the equity shares of Mail Today, carried out by an independent valuer, the Company, the acquired some stake through direct subscription and also through purchase from existing shareholders amounting to Rs. 45.5 crores. Though, Mail Today is in the initial stages of operations and presently is incurring losses, the Company, based on independent projections, is confident of the future profitability of Mail Today and consequently of the carrying value of the Investment.
10. Based on information available with the Company, there are no outstanding dues to Micro and Small enterprises as at March 31, 2011. No interest is paid/payable by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.
11. The figures for the previous year have been regrouped/ rearranged wherever considered necessary to conform to the current year's classification.



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
Cash flows from operating activities		
Net profit before taxation and after Employees Stock Compensation Expense	184,538,749	469,795,099
Adjustments for:		
Depreciation	160,064,695	211,003,875
Deferred Revenue Expenditure written off	-	9,725,960
Employees Stock Compensation Expense	1,556,816	1,189,303
Provision for Gratuity	9,393,964	8,629,750
Provision for Leave Encashment	12,423,380	13,370,294
Provision for Doubtful Debts & Advances	37,856,399	18,151,576
Bad debts written off	605,622	-
Provision for diminution in the value of investments written back	(271,007)	537,726
Provision no longer required written back	(41,323,307)	(46,459,549)
Provision for Wealth Tax	1,676,089	1,635,218
Loss/(Profit) on sale of Fixed Assets	(251,406)	(305,092)
Interest received on deposits	(42,151,379)	(116,010,553)
Dividend Income	(717,991)	(1,231,697)
Interest Paid	7,095,428	64,777,905
Profit on sale of investments	-	(60,664,428)
Operating profit before working capital changes	330,496,052	574,145,387
Change in Sundry Debtors	(163,728,875)	(199,254,500)
Change in Other Current Assets	(57,052,614)	(250,019,164)
Change in Current Liabilities & Provisions	53,956,211	111,308,926
Cash generated from operations	163,670,774	236,180,649
Income taxes paid	(49,939,161)	(321,257,273)
Wealth tax paid	(1,717,557)	(1,732,556)
Net cash from operating activities	112,014,056	(86,809,180)
Cash flows from investing activities		
Purchase of investments	(269,941,487)	-
Sale of investments	-	561,120,429
Purchase of fixed assets	(59,106,688)	(113,481,464)
Dividend received	717,991	1,231,697
(Increase) in Capital Work in Progress	(293,837,510)	(221,334,716)
Proceeds from sale of Fixed Assets	3,272,412	8,052,898
Interest received on deposits	75,684,267	99,780,935
Net cash from investing activities	(543,211,015)	335,369,779
Cash flows from financing activities		
Proceeds from issuance of share capital	534,150	-
Payment towards buyback of share capital	-	(14,512,763)
Proceeds from long-term borrowings from banks	-	271,278,220
Payments for long-term borrowings from banks	(225,000,000)	(100,000,000)
Proceeds/(Repayment) of short term loans	(251,795,712)	86,695,095
Interest paid	(9,954,812)	(64,777,905)
Dividend & Corporate Dividend Tax paid	(50,534,804)	(50,864,630)
Net cash used in financing activities	(536,751,178)	127,818,017
Net increase in cash and cash equivalents	(967,948,137)	376,378,616
Cash and cash equivalents at beginning of year	1,297,772,692	909,903,141
Add: Cash and cash equivalents acquired pursuant to the Scheme of Amalgamation	-	9,664,321
Cash and cash equivalents at end of year (see Note 1)	329,824,555	1,297,772,692

Note : 1

Cash and cash equivalents at end of year

Cash in hand	1,007,668	700,591
Cheques in hand	-	896,541
Balance with scheduled banks -		
- Current Accounts	22,652,228	31,500,707
- Dividend Account	1,358,474	1,176,552
- Deposit Accounts	304,806,185	1,263,498,301
Cash and cash equivalents	329,824,555	1,297,772,692

Note : 2

Figures in brackets indicate cash outflow

Note : 3

The above Cash flow statement has been prepared under the indirect method setout in AS-3 issued by the Institute of Chartered Accountants of India.

This is the Cash Flow Statement referred to in our report of even date. The notes referred to above forms an integral part of the Cash Flow statement
For Price Waterhouse For and on behalf of the Board

Firm Registration No. 301112E
Chartered Accountants

Sd/-
S. Mukherjee
Partner
Membership No. 57084

Sd/-
Puneet Jain
Company Secretary
GM-Legal & F & A

Sd/-
Gulab Makhija
VP- F&A

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Chairman &
Managing
Director

Place : Gurgaon
Date : May 30, 2011

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Sixth Annual Report with the Audited Statement of Accounts for the year ended 31st March 2011.

1. Financial Results

During the financial year 2010-11, the Company is yet to gear up all its activities and earned an income of Rs. 119,626/- (Rupees One Lakh Nineteen Thousand Six Hundred Twenty Six only) mainly on interest on Bank Deposits (Gross of Tax Deducted at source Rs 11,742/-) as compared to interest on Bank deposits of Rs. 129,250/- (Rupees One Lakh Twenty Nine Thousand Two Hundred Fifty only) earned last year Hence, the Company has earned a profit of Rs. 196,631/- (Rupees One Lakh Ninty Six Thousand Six Hundred Thirty One only) after adjustment of current tax and brought forward balances during the period under review.

2. Dividend

Since no operations of the Company were commenced during the period, your directors do not recommend a Dividend for the current year.

3. Operations

The operations have not started in the current year.

4. Director's Responsibility Statement: -

In terms of the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors state that: -

- i) In the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors had prepared the annual accounts on a going concern basis.

5. Auditors

The auditors of your company M/s. Price Waterhouse, Chartered Accountants, retire at the close of forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

6. Compliance Certificate by Company Secretary in Practice

The Company has obtained compliance certificate in terms of Proviso to Section 383A (1) of the Companies Act, 1956, from Company Secretary in practice, which is appended here to and forming part of this Directors Report.

7. Directors

In accordance with the requirement of Section 256 of the Companies Act, 1956 and the Articles of Association of your company, Mr. Aroon Purie, Director of the Company, retires by rotation at the Sixth Annual General Meeting and being eligible offers himself for re-appointment.

8. Personnel

Since no employee was employed during the current financial year, the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, are not applicable in the current year.

9. The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

The requirement of clause (e) of sub-section (1) of section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable in the current year.

10. Acknowledgement

Your directors' wish to thank all the stakeholders for their co-operation and encouragement extended to the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : May 30, 2011

Sd/-
Aroon Purie
Director

Sd/-
Anil Mehra
Director



COMPLIANCE CERTIFICATE

[Pursuant to provision to sub-section (1) of section 383A of the Companies Act, 1956 and Rule 3(1) of the Companies (Compliance Certificate) Rules, 2001]

CIN: U74899DL2005PLC142634
Authorized Capital: 15,00,000
Paid-up Share Capital: 15,00,000
To The Members,
T.V. TODAY NETWORK (BUSINESS) LIMITED
VIDEOCON TOWER
E-1, JHANDEWALAN EXTENSION
DELHI-110 055

We have examined the registers, records, books and papers of **M/s. TV Today Network (Business) Ltd.**, (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended March 31, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a public limited company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met four times on May 24, 2010, July 23, 2010, November 02, 2010 and February 11, 2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended March 31, 2010 was held on **August 26, 2010** after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors, persons, firms, or companies referred to in Section 295 of the Act.
9. The Company has not entered into a contract falling within the purview of Section 297 of the Act, during the period.
10. The Company was not required to make any entry in the register maintained under section 301 of the Act. However, entries were made in the said register under section 301(3) of the Act, during the period.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or the Central Government.
12. The company has not issued any duplicate share certificates during the period.
13. The Company:
 - a. has not made allotment of any security during the financial year.
 - b. the company was not required to deliver share certificates since the company did not receive any request for transfer / transmission of shares during the financial year.
 - c. has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - d. was not required to post dividend warrants to any member of the Company as no dividend was declared during the financial year.
 - e. was not required to transfer the amounts in Unpaid Dividend Account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund .
 - f. has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no change in the Board, during the period.
15. The Company has not appointed any Managing Director or Whole-time Director or a Manager, during the period.
16. The Company has not appointed any sole-selling agent during the period.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act, during the period.
18. The Directors have disclosed their interest in other firms and / or companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.

19. The Company has not issued any shares, debentures, or other securities during the financial year.
20. The Company has not bought back any shares during the period.
21. Preference shares do not form part of the share capital of the Company. The Company has not issued any debentures during the financial year under scrutiny.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares or bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any deposits including any unsecured loans falling within the purview of Section 58 A of the Act during the financial year.
24. The Company has not borrowed any amount from financial institutions, banks, Directors, members, public & others during the financial year.
25. The Company has not made any investments or given any loans or advances or given any guarantee or provided any security to other bodies corporate during the period and consequently, no entry was required to be made in the relevant registers.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the period.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the period.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the period.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the period
30. The Company has not altered its Articles of Association during the period.
31. As per the information provided and explanations given by the Company, there was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the Company during the period, for offences under the Act.
32. As per the information provided and explanations given by the Company, it has not received any money as security from its employees, as per the provisions of Section 417 (1) of the Act, during the period.

33. The provisions of Provident Fund Act are not applicable to the company.

For JUS & Associates

Company Secretaries

Place : New Delhi
Date : May 30th, 2011

Jyoti Upmanyu Sharma
C.P.NO. 8987

Annexure-A

Registers as maintained by the Company

Statutory Registers

1. Register of Members u/s. 150.
2. Register and Returns u/s. 163.
3. Minutes Book of Meetings.
4. Books of Accounts u/s. 209.
5. Register of Contracts u/s. 301.
6. Register of Directors u/s. 303.
7. Register of Directors' Shareholding u/s. 307.

Others Registers

1. Attendance Register for Board Meeting
2. Register of Common Seal

Annexure-B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Directors, Central Government or other authorities during the financial year ended March 31, 2011:

1. Balance Sheet for the year ended March 31, 2010 was filed vide Challan No P52845807 dated September 24, 2010 (Date of Annual General Meeting - August 26, 2010).
2. Compliance Certificate pursuant to proviso to sub section (1) of section 383A for the year ended March 31, 2010 was filed vide Challan No P52829710 dated September 24, 2010.
3. Annual Return u/s 159 in respect of the Annual General Meeting held on August 26, 2010 was filed vide Challan No. P55327670 dated October 21, 2010.



AUDITORS' REPORT TO THE MEMBERS OF T.V. TODAY NETWORK (BUSINESS) LIMITED

1. We have audited the attached Balance Sheet of TV Today Network (Business) Limited (the "Company"), as at March 31, 2011 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:
 - i. The Company does not have any fixed assets and hence clause (i) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable.
 - ii. The Company does not have any inventory and hence clause (ii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable.
 - iii. (a) The Company has not granted any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly clauses (iii)(b), (iii)(c), (iii)(d) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable.
(b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly clauses (iii)(f), (iii)(g) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable.
- iv. The Company has not purchased any inventory and fixed assets and has not sold any goods and services during the year. Hence, clause (iv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable.
- v. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, commenting on transactions made in pursuance of such contracts or arrangements does not arise.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. As the company is not listed on any stock exchange or the paid-up capital and reserves of the Company as at the commencement of the financial year did not exceed Rupees Fifty Lakhs or the average annual turnover for a period of three consecutive financial years immediately preceding the financial year did not exceed Rupees Five Crores, clause (vii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 is not applicable to the company for the current year.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products/services of the company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth tax, service-tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- x. The Company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the company examined by us and the information and explanation given to

us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.

- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 - xiii. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the Company.
 - xiv. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
 - xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
 - xvi. The Company has not obtained any term loans.
 - xvii. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
 - xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
 - xix. The Company has not issued any debentures and there are no debentures outstanding as at year end. Hence, clause (xix) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable.
 - xx. The Company has not raised any money by public issues during the year.
 - xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
4. Further to our comments in paragraph 3 above, we report that:

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
- (e) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Sd/-
S. Mukherjee
Partner

Place : Gurgaon
Date : May 30, 2011

Membership No. 57084



T.V. Today Network (Business) Limited

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
I. Sources of Funds			
(1) Shareholders' Funds:			
(a) Capital	A	1,500,000	1,500,000
(b) Reserve & Surplus	B	1,96,631	1,50,973
TOTAL		16,96,631	16,50,973
II. Application of Funds			
(1) Current assets, loans and advances			
(a) Cash and bank balances	C	1,934,499	1,826,615
		1,934,499	1,826,615
Less: Current liabilities and provisions			
(a) Sundry Creditors	D	217,547	153,581
(b) Provisions	E	20,321	22,061
		237,868	175,642
Net Current Assets		1,696,631	1,650,973
TOTAL		1,696,631	1,650,973
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	H		

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

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants
Sd/-
S. Mukherjee
Partner
Membership No. 57084

Place : Gurgaon
Date : May 30, 2011

The Schedules referred to above form an integral part of the Balance Sheet.

For and on behalf of the Board

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Schedule	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
INCOME			
Other Income	F	119,626	129,250
		<u>119,626</u>	<u>129,250</u>
EXPENDITURE			
Administrative and Other Costs	G	35,225	31,189
		<u>35,225</u>	<u>31,189</u>
PROFIT BEFORE TAXATION		<u>84,401</u>	<u>98,061</u>
Tax Expense			
Current Tax		38,743	41,830
PROFIT AFTER TAXATION		<u>45,658</u>	<u>56,231</u>
Balance brought forward		150,973	94,742
Profit carried forward to Balance Sheet		196,631	150,973
Earnings Per Share [Refer Note 2 Schedule H(B)]		0.30	0.37
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	H		

This is the Profit & Loss Account referred to in our report of even date. The Schedules referred to above form an integral part of the Profit & Loss Account.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants
Sd/-
S. Mukherjee
Partner
Membership No. 57084

For and on behalf of the Board

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Director

Place : Gurgaon
Date : May 30, 2011



T.V. Today Network (Business) Limited

FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Amount (Rs.)	As at March 31, 2010 Amount (Rs.)
SCHEDULE - A		
SHARE CAPITAL		
Authorised		
150,000 (Previous Year 150,000) Equity Shares of Rs. 10 each	1,500,000	1,500,000
	<u>1,500,000</u>	<u>1,500,000</u>
Issued, Subscribed and Paid-up		
150,000 (Previous Year 150,000) Equity shares of Rs. 10 each fully paid up	1,500,000	1,500,000
	<u>1,500,000</u>	<u>1,500,000</u>
150,000 (Previous Year 150,000) Equity Shares of Rs. 10 each are held by T.V. Today Network Ltd., the Holding Company		
SCHEDULE - B		
RESERVE & SURPLUS		
Balance transferred from the Profit and Loss Account	196,631	150,973
TOTAL	<u>196,631</u>	<u>150,973</u>
SCHEDULE - C		
CASH AND BANK BALANCE		
Cash in Hand	1,500	1,500
Balance with Scheduled Bank		
- Current Account	30,907	30,907
- Deposit Accounts	1,902,092	1,794,208
TOTAL	<u>1,934,499</u>	<u>1,826,615</u>
SCHEDULE - D		
SUNDRY CREDITORS		
Creditors other than Micro, Small and Medium Enterprises	217,547	153,581
	<u>217,547</u>	<u>153,581</u>
SCHEDULE - E		
PROVISIONS		
Provisions for Income tax		
[Net of Advance Income tax Rs 98,536 (Previous Year Rs 86,794)]	20,321	22,061
TOTAL	<u>20,321</u>	<u>22,061</u>

**FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
MARCH 31, 2011**

	For the Year Ended March 31, 2011 Amount (Rs.)	For the Year Ended March 31, 2010 Amount (Rs.)
SCHEDULE - F		
OTHER INCOME		
Interest on Bank Deposits [Gross of Tax Deducted at Source Rs. 11,742 (Previous Year Rs. 13,089)]	119,626	129,250
	119,626	129,250
SCHEDULE - G		
ADMINISTRATIVE AND OTHER COST		
Legal & professional charges	35,225	25,000
Rates & Taxes	-	1,169
Miscellaneous Expenses	-	5,020
	35,225	31,189

SCHEDULE - H

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

a. Accounting Convention

The financial statements are prepared to comply in all material aspects with all applicable accounting principles in India, the applicable accounting standards notified U/s 211 3(C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

b. Earnings per Share

The earnings considered in ascertaining the Company's EPS comprises the net profit/loss after tax and includes the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

c. Taxes on Income

Tax expense for the year, comprising current tax is included in determining the net profit for the year.

Deferred tax is recognized for all deductible timing differences and deferred tax assets are carried forward to the extent there is reasonable and/or virtual certainty, as the case may be that sufficient future taxable profit will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted as on the balance sheet date.



T.V. Today Network (Business) Limited

B. NOTES TO ACCOUNTS

1. Related Party Disclosures (as identified and certified by the Company) as per the requirement of Accounting Standard 18 issued by the Institute of Chartered Accountants of India and notified under Companies Act, 1956:

(I) Name of the related party and nature of related party relationship where control exists:

(a) Entities Controlling the Company :

- Living Media India Limited (Ultimate Holding Company)
- T.V.Today Network Limited (Holding Company)

(b) Companies under common control :

- Thomson Press (India) Ltd.
- Radio Today Broadcasting Limited

(II) Transactions with related parties during the year in the ordinary course of business:

Name of Transaction	Holding company	Total
Taxes paid on behalf of the Company	34,256	34,256
	(15,713)	(15,713)
Reimbursement of expenses	52,135	52,135

(III) Outstanding balances pertaining to Related Parties as on 31st March, 2011

Name of Related Party	Amount outstanding as at March 31, 2011	Amount outstanding as at March 31, 2010
T.V.Today Network Limited	120,372	33,981

2. Earnings per share

	2010-2011	2009-2010
(a) Net Profit after tax (Rs.)	45,658	56,231
(b) Number of equity share outstanding at the end of the year/weighted average number of equity shares outstanding during the year.	150,000	150,000
(c) Nominal Value Per Share (Rs.)	10	10
(d) Basic and Diluted Earnings Per Share (Rs.) (a/b)	0.30	0.37

The Company does not have any outstanding dilutive potential equity shares.

3. Based on the information available with the Company, there are no transactions during the year (Previous year Nil) or balances outstanding as at the Balance Sheet date with / to small scale industrial undertaking and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.
4. No Deferred tax asset has been recognized on the brought forward losses of the company as there is no virtual certainty of its realization.
5. Information pursuant to the provisions of paragraph 3, and 4 of part- II of Schedule –VI to the companies Act, 1956:-

Auditors Remuneration	2010-11 (Rs.)	2009-10 (Rs.)
Statutory Audit	25,000 *	25,000 *

* does not include service tax & out of pocket expenses

6. Previous year's figures have been regrouped/ reclassified wherever necessary to make them comparable to current year's figures.

T.V. Today Network (Business) Limited



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	For the year ended March 31, 2011	For the year ended March 31, 2010
Cash flows from operating activities		
Net Profit before taxation	84,401	98,061
Adjustments for:		
Interest received on Deposits	(119,626)	(129,250)
Operating profit before working capital changes	(35,225)	(31,189)
Change in Current Liabilities & Provisions	62,226	59,820
Cash generated from operations	27,001	28,631
Income Tax Paid	(38,743)	(41,830)
Net cash from operating activities	(11,742)	(13,199)
Cash flows from investing activities		
Interest received from deposits	119,626	129,250
Net cash from Investing activities	119,626	129,250
Cash flows from financing activities		
	-	-
Net increase in cash and cash equivalents	107,884	116,051
Cash and cash equivalents at beginning of year	1,826,615	17,10,564
Cash and cash equivalents at end of year (see Note 1)	1,934,499	1,826,615

Note : 1

Cash and cash equivalents at end of year end.

Cash in hand	1,500	1,500
Balance with Scheduled Banks:		
Current Accounts	30,907	30,907
Deposit Accounts	1,902,092	1,794,208
Cash and cash equivalents	1,934,499	1,826,615

Note : 2

Figures in brackets indicate cash outflow

Note : 3

The above Cash flow statement has been prepared under the indirect method set out in AS-3 (Cash Flow Statements), notified under section 211(3C) of the Companies Act, 1956

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

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants
Sd/-
S. Mukherjee
Partner
Membership No. 57084

Place : Gurgaon
Date : May 30, 2011

The notes referred to above form an integral part of the Cash Flow Statement.

For and on behalf of the Board

Sd/- Anil Mehra Director	Sd/- Aroon Purie Director
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T.V. Today Network (Business) Limited

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(A) REGISTRATION DETAILS

REGISTRATION NUMBER	:	142634
STATE CODE	:	55
BALANCE SHEET DATE	:	March 31, 2011

(B) CAPITAL RAISED DURING THE YEAR (Amount in Rs. '000)

PUBLIC ISSUE	:	NIL
RIGHTS ISSUE	:	NIL
BONUS ISSUE	:	NIL
PRIVATE PLACEMENT	:	NIL

(C) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs.'000)

TOTAL LIABILITIES	:	1,934
TOTAL ASSETS	:	1,934

SOURCES OF FUNDS

PAID- UP CAPITAL	:	1,500
RESERVE & SURPLUS	:	197
SHARE APPLICATION	:	NIL
SECURED LOANS	:	NIL
UNSECURED LOANS	:	NIL
DEFERRED TAX LIABILITY- NET	:	NIL

APPLICATION OF FUNDS

NET FIXED ASSETS	:	NIL
INVESTMENTS	:	NIL
NET CURRENT ASSETS	:	1,697
MISCELLANEOUS EXPENDITURE	:	-
ACCUMULATED LOSSES	:	-

(D) PERFORMANCE OF THE COMPANY (Amount in Rs. '000)

TURNOVER	:	120
TOTAL EXPENDITURE	:	35
PROFIT/(LOSS) BEFORE TAX	:	84
PROFIT/(LOSS) AFTER TAX	:	46
EARNINGS PER SHARE IN RS.	:	0.30
DIVIDEND RATE %	:	Nil

(E) GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

ITEM CODE NUMBER	:	-
PRODUCT DISCRIPTION	:	TELECAST & BROADCAST

NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of the members of the Company is scheduled to be held on Monday, the 29th day of August 2011 at 03.00 P.M. at The Airforce Auditorium, Subroto Park, Dhaula Kuan, New Delhi – 110 010 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date, together with the reports of the Auditors and Directors thereon.
2. To consider declaration of dividend on equity shares.
3. To appoint a Director in place of Mr. Anil Mehra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajeev Thakore, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Price Waterhouse, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and authorize the Board of Directors and/or Committee thereof to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED** that pursuant to the approval of the Central Government and in accordance with the provisions of Section 198, 309, 310 read with Schedule XIII to the Companies Act, 1956 and statutory modification(s) or re-enactment thereof, for the time being in force, from time to time, consent and approval of the Company be and is hereby accorded for payment of increased remuneration to Ms. Koel Purie Rinchet, Whole Time Director of the Company with effect from 24th May 2011 to 23rd May 2013 on a remuneration by way of salary, perquisites and allowances payable to her as set out herein and providing absolute discretion to the Board of Directors (hereinafter referred to as the ‘Board’) to alter and vary the terms and conditions that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Ms Koel Purie Rinchet.”

- a) **Remuneration For the period 01st April, 2011 to 23rd May, 2011.**

Basic	Rs.	1,70,000/-	PM
Special Allowance	Rs.	48,420/-	PM
HRA	Rs.	60,000/-	PM
Leave Travel Assistance	Rs.	14,160/-	P A

- b) **Remuneration For the period 24th May, 2011 to 23rd May, 2012.**

Basic	Rs.	2,04,000/-	PM
Special Allowance	Rs.	58,104/-	PM
HRA	Rs.	72,000/-	PM
Leave Travel Assistance	Rs.	16,992/-	PA
Bonus/Incentive	Rs.	18,00,000/-	PA

(As per discretion of the management)

- c) **Remuneration For the period 24th May, 2012 to 23rd May, 2013.**

Basic	Rs.	2,44,800/-	PM
Special Allowance	Rs.	69,725/-	PM
HRA	Rs.	86,400/-	PM
Leave Travel Assistance	Rs.	20,390/-	PA
Bonus/Incentive	Rs.	21,60,000/-	PA

(As per discretion of the management)

Ms. Koel Purie Rinchet shall be entitled to use of a Company maintained car with driver, as per the rules on the Company, in connection with business of the Company.

The Company will provide telephone, internet connection at the residence of Ms. Koel Purie Rinchet, the Whole-Time-Director, the cost of which shall not be included as perquisites to the employee. The company shall also provide her a mobile and blackberry for the business of the Company.

Ms. Koel Purie Rinchet shall be entitled to Provident Fund, Gratuity as per the Rules of the Company.

Ms. Koel Purie Rinchet shall be entitled to Group Medical Insurance Scheme and the Group Accident Insurance Scheme as applicable to Senior Employees of the Company.

Ms. Koel Purie Rinchet will be entitled to the reimbursement of entertainment, books and periodicals, travelling and all other expenses incurred for the business of the Company as per the rules of the Company.

The Management shall be entitled to interchange the remuneration of Ms. Koel Purie Rinchet from one head to another as it may consider appropriate within the overall limits set out in the resolution.

So long as Ms. Koel Purie Rinchet is a Whole-Time-Director, she shall not be paid any fee for attending the meetings of the Board of Directors or any committee thereof.

For the above purpose, the perquisites shall be evaluated as per Income Tax Rules, 1962, wherever applicable. In the absence of any such Rules, perquisite shall be evaluated at actual.

RESOLVED FURTHER THAT the foregoing amount of remuneration, performance linked incentive and



T.V. Today Network Limited

perquisites in any financial year shall be paid to Ms. Koel Purie Rinchet as minimum remuneration.

RESOLVED FURTHER THAT the aforesaid remuneration may be reviewed for upward revision as and when salary revision for other Senior Executives is considered by the Remuneration Committee.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all necessary or desirable steps for the aforesaid purpose and any matter incidental thereto.

By order of Board
For **T.V. Today Network Limited**

Sd-
Puneet Jain

GM (Legal & F & A) &
Company Secretary

Place : New Delhi
Date : May 30, 2011

NOTES:

- A member entitled to attend and vote at the meeting is entitled to appoint one or more persons as his proxies to attend and vote instead of himself and the proxy need not be a member of the Company.**
- The proxy form in order to be effective should be duly stamped, signed and completed in all respects and must be deposited at the registered office of the Company not less than 48 hours before the commencement of the aforesaid meeting.**
- Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of Items No. 6 is enclosed.**
- No person shall be entitled to attend or vote at the meeting as a duly authorized representative of any body corporate which is a shareholder of the Company, unless a certified copy of the resolution appointing him/her as duly authorized representative has been deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- The Company is listed at:**
 - National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051.**
 - Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001.**The listing fees have been paid in time.
- The Register of Members and Share Transfer Books of

the Company will be closed from August 18, 2011 to August 29, 2011 (Both days inclusive).

- If dividend on equity shares as recommended by the Directors is approved at the meeting, the payment of such dividend will be made to those members of the Company whose name appear on the Register of Members and as per beneficial owners position received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of August 17, 2011.
- Consequent upon introduction of Section 205C of the Companies Act, 1956 the dividend remaining unpaid or unclaimed for seven years shall be transferred to the Investor Education and Protection Fund of the Central Government. Members who have not encashed dividend warrant(s) so far for the year ended **March 31, 2004** and thereafter are requested to make their claims to the Company. **PLEASE NOTE THAT ONCE THE UNCLAIMED DIVIDEND IS TRANSFERRED TO THE CENTRAL GOVERNMENT, AS ABOVE, NO CLAIM SHALL LIE IN RESPECT THEREOF.**
- Members are requested to:
 - Notify promptly any change in their address either to the Company at its registered office or to the Company's Registrar and Share Transfer Agent, M/s. MCS Limited, F-65, Okhla Industrial Area, Phase-I, New Delhi-110020.
 - Send their queries, if any, at least 15 days in advance of the meeting at the Company's registered office at Videocon Tower, E-1, Jhandewalan Extension, New Delhi –110 055 so that the information can be made available at the meeting.
 - Fill the attendance slip for attending the meeting and those who hold the shares in dematerialized form are requested to bring their Client ID and DP ID for easy identification of attendance at the meeting.
 - Provide their email-id for correspondence/communication with the company further to Circular No. 17/2011 of the Ministry of Corporate Affairs wherein the Ministry of Corporate Affairs has permitted the service of documents upon the Shareholders through e-mail (paperless compliances) instead of physical mode, wherever possible.
- Shareholders are advised that copies of the Annual Report will not be distributed at the venue of the Annual General Meeting and hence the shareholders are requested to bring their copies of the Annual Report, which are mailed to them at their registered addresses intimated and available in the records of the Company.
- As per the requirements of clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement containing details of the concerned Directors is given below:

Mr. Anil Mehra and Mr. Rajeev Thankore, Directors of the Company retire by rotation and are eligible for re-appointment at the Annual General Meeting. Brief resumes of the said Directors are as under:

Name	Mr. Anil Mehra	Mr. Rajeev Thakore
Age	66 years	54 years
Qualifications	FCA (Institute of Chartered Accountants of England & Wales and Institute of Chartered Accountants of India)	B.A. (Economics Honours) from St. Stephen's College, Delhi University, Delhi M.B.A. from University of Saskatchewan, Canada
Expertise in specific functional area	Financial Expert	Financial Expert
Date of appointment on the Board of the Company	December 28, 1999	January 9, 2004
Name(s) of the other Companies in which Directorship held	Living Media India Limited, T.V. Today Network(Business) Limited Talbro's Automotive Components Limited Radio Today Broadcasting Limited Integrated Databases India Limited Thomson Digital (India) Limited The All India Finance & Commerce Private Limited The All India Investment Corporation Private Limited Automotive Exchange Private Limited India Today Online Private Limited Today Merchandise Private Limited Living Media International Limited	BVM Management Enterprises Private Limited BVM Advisors Private Limited A2Z Maintenance & Engineering Services Limited Espace Corporate Art Initiatives Pvt Ltd
Name(s) of Companies in which Committee Membership(s) held (as per Clause 49 of the Listing Agreement)	Chairman: Shareholders/ Investors Grievance and Share Transfer Committee – T.V. Today Network Limited Member: Remuneration Committee – T. V. Today Network Limited	Member: Audit Committee – T. V. Today Network Limited
Shareholding in the Company	100 Shares	300 Shares

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 6

Ms. Koel Purie Rinchet was appointed as a Whole Time Director on the Board of Directors after receiving clearance from the Ministry of Information & Broadcasting and Members w.e.f. 24th May 2010.

The Proposed remuneration for the period from 01st April, 2011 to 23rd May, 2013 as approved by Remuneration Committee and Board of Directors is as follows:

a) **Remuneration For the period 01st April, 2011 to 23rd May, 2011.**

Basic	Rs.	1,70,000/-	PM
Special Allowance	Rs.	48,420/-	PM
HRA	Rs.	60,000/-	PM
Leave Travel Assistance	Rs.	14,160/-	PA

b) **Remuneration For the period 24th May, 2011 to 23rd May, 2012.**

Basic	Rs.	2,04,000/-	PM
Special Allowance	Rs.	58,104/-	PM
HRA	Rs.	72,000/-	PM
Leave Travel Assistance	Rs.	16,992/-	PA
Bonus/Incentive	Rs.	18,00,000/-	PA
(As per discretion of the management)			

c) **Remuneration For the period 24th May, 2012 to 23rd May, 2013.**

Basic	Rs.	2,44,800/-	PM
Special Allowance	Rs.	69,725/-	PM
HRA	Rs.	86,400/-	PM
Leave Travel Assistance	Rs.	20,390/-	PA
Bonus/Incentive	Rs.	21,60,000/-	PA
(As per discretion of the management)			

Ms. Koel Purie Rinchet shall be entitled to use of a Company maintained car with driver, as per the rules on the Company, in connection with business of the Company.

The Company will provide telephone, internet connection at the residence of Ms. Koel Purie Rinchet, the Whole-Time-Director, the cost of which shall not be included as perquisites to the employee. The company shall also provide her a mobile and blackberry for the business of the Company.

Ms. Koel Purie Rinchet shall be entitled to Provident Fund, Gratuity as per the Rules of the Company.

Ms. Koel Purie Rinchet shall be entitled to Group Medical

Insurance Scheme and the Group Accident Insurance Scheme as applicable to Senior Employees of the Company.

Ms. Koel Purie Rinchet will be entitled to the re-imbusement of entertainment, books and periodicals, travelling and all other expenses incurred for the business of the Company as per the rules of the Company.

The Management shall be entitled to interchange the remuneration of Ms. Koel Purie Rinchet from one head to another as it may consider appropriate within the overall limits set out in the resolution.

So long as Ms. Koel Purie Rinchet is a Whole-Time-Director, she shall not be paid any fee for attending the meetings of the Board of Directors or any committee thereof.

The foregoing amount of remuneration, performance linked incentive and perquisites in any financial year shall be paid to Ms. Koel Purie Rinchet as minimum remuneration.

For the above purpose, the perquisites shall be evaluated as per Income Tax Rules, 1962, wherever applicable. In the absence of any such Rules, perquisite shall be evaluated at actual.

None of the Director(s) is/are interested in passing of the resolution except Mr. Aroon Purie and Ms. Koel Purie Rinchet.

The Agreement entered between the Company and the Koel Purie Rinchet (Whole time director) is available for inspection by the member at the Company's Registered Office between 10.00 a.m. and 12.00 noon on any working day up to the date of Annual General Meeting.

There is no other contract has been made between the company and the Managing Director or Director of the company u/s 302 of the Companies Act, 1956.

The Directors of the Company recommend passing of the aforesaid item by way of Ordinary resolution by the shareholders of the Company.

By order of Board
For **T.V. Today Network Limited**

Sd-
Puneet Jain

GM (Legal & F & A) &
Company Secretary

Place : New Delhi
Date : May 30, 2011

T.V. TODAY NETWORK LIMITED

Registered Office: Videocon Tower, E-1, Jhandewalan Extn.,
New Delhi –110 055

PROXY FORM

Folio No. _____

I/We _____

being a member/ members of _____

hereby appoint _____

of _____

or failing him _____

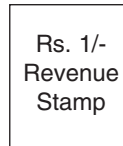
as my/our proxy to vote for me/us on my/our behalf at the **ANNUAL GENERAL MEETING** of the company to be held on August 29, 2011 at 3:00 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Name _____

Address _____

Signature _____



NOTE: Proxy Forms must reach the Company's Registered Office not less than 48 hours before the Commencement of the Meeting.

----- TEAR HERE -----

T.V. TODAY NETWORK LIMITED

Registered Office: Videocon Tower, E-1, Jhandewalan Extn.,
New Delhi –110 055

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

Name of the attending Member _____

(In Block Letters)

Folio No. _____

Name of Proxy (In Block Letters) _____

(To be filled if the Proxy attends instead of the Member)

No. of Shares held _____

I hereby record my presence at the **ANNUAL GENERAL MEETING** of the Company held on August 29, 2011 at the Airforce Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010 at 3.00 P.M.

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

NOTE: PLEASE BRING YOUR COPY OF THE ANNUAL REPORT TO THE MEETING HALL AS COPIES OF THE REPORT WILL NOT BE DISTRIBUTED AT THE MEETING.

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