Eminent Cable Network Private Limited

Financial Statements

2018-19

INDEPENDENT AUDITOR’S REPORT

To the Members of Eminent Cable Network Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Eminent Cable Network Private Limited (“the company”)** which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, (including Other Comprehensive Income), and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (Collectively “Standalone Financials Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid **Standalone Financial Statements** give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, total comprehensive profit and its cash flow and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so

The Board of Directors are also responsible for overseeing the company’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), and Statement of Change in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
   e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   a) The financial statements disclose the impact of pending litigation on the financial position of the Company. Refer **note no. 40** to the Financial Statements.
   b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For AKGVG & Associates
Chartered Accountants
Firm Reg. No. 018598N

Aman Aggarwal
Partner
Membership No. 515385

Place: New Delhi
Dated: 13th April, 2019

“Annexure A” to Independent Auditors’ Report

(Referred to in Paragraph 1 under the Heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date)

(i) (a) As per information and explanation given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment);

(b) The Company has a program of verification of its fixed assets to cover all the items in phased manner over a period of three years other than set top boxes, distributions equipment comprising overhead and underground cables. Managements is of the view that it is not possible to verify these assets due to their nature and locations.

Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verifications.

In our opinion, other than for physical verification of set top boxes and distribution referred to above, the frequency of verification of fixed assets is reasonable having regards to the size of the company and the nature of its assets.

(c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.

(ii) The Company is a service company, primarily rendering cable system network services. Accordingly, it doesn’t hold any physical inventories. Therefore hence reporting under clause (ii)(c) of the CARO 2016 is not applicable.

(iii) The Company has not granted any secured/ unsecured loan to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence, reporting under clause 3 (iii) (a), (b) and (c) of the order is not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any transaction in respect of loans, investments, guarantee and security which attracts the compliance to provisions of section 185 and 186 of the Companies Act, 2013. Accordingly reporting under clause 3 (iv) of the order is not applicable to the Company.

(v) The Company has not accepted any deposits from the public; therefore, reporting under clause 3 (v) of the order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the service rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including income-tax, service tax, GST, entertainment tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities though there have been slight delays in a few cases.

(b) According to the information and explanations given to us, there are amounts dues in respect of income-tax, service tax, GST, entertainment tax and other statutory dues were outstanding, at the yearend for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are amounts in respect of sales tax that have been deposited with the appropriate authorities on account of any dispute. The details of which are as follows:

Nature of Statute	**Nature of Dues**	**Period to which it relates**	**Forum where the dispute is pending**	**Demand (Rs. in 000’)**	**Deposition under Protest (Rs. in 000’)**
UP VAT Act, 2008 Section 25(1)	Sales Tax	2013-14	Department of Commercial Taxes (VAT), Uttar Pradesh	11,381.45	305.67

(viii) Based on our audit procedures and as per the information and explanations given by the management, the Company has not taken any loan from financial institution or banks and has not issued any debentures. Hence reporting under clause 3 (viii) of the order is not applicable to the Company.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence reporting under clause 3 (ix) of the order is not applicable to the Company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the companies act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly clause 3 (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of its shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi) of the order is not applicable to the Company.

For AKGVG & Associates
Chartered Accountants
Firm Reg. No. 018598N

Aman Aggarwal
Partner
Membership No. 515385

Place: New Delhi
Dated: 13th April, 2019

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Eminent Cable Network Private Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

For AKGVG & Associates
Chartered Accountants
Firm Reg. No. 018598N

Aman Aggarwal
Partner
Membership No. 515385

Place: New Delhi
Dated: 13th April, 2019

Balance Sheet as at 31 March, 2019

	Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
A.	**ASSETS**			
	1. Non-Current Assets			
	(a) Property, plant and equipment	3	**148,566.16**	226,036.61
	(b) Capital work in progress	3	**209.30**	1,868.4
	(c) Other Intangible assets	3	**7,671.23**	9,671.23
			156,446.69	237,576.31
	(d) Financial Assets			
	(i) Investments			
	(a) in subsidiary	4	**7,100.00**	7,100.00
	(ii) Others financial assets	5	**235.88**	205.24
	(e) Deferred tax assets (net) (See note 31)	25	**50,678.16**	37,916.67
	(f) Other non-current assets	6	**22,107.24**	25,831.30
			236,567.97	308,629.52
	2. Current Assets			
	(a) Financial assets			
	(i) Trade receivables	7	**134,898.20**	207,783.46
	(ii) Cash and cash equivalents	8	**8,098.08**	35,792.97
	(iii) Other financial assets	9	**27,135.15**	3,955.59
	(b) Other current assets	10	**9,565.58**	18,671.07
			179,697.01	266,203.09
	Total Assets		**416,264.98**	**574,832.61**
B.	**EQUITY AND LIABILITIES**			
	1. Equity			
	(a) Equity share capital	11	**1,104.63**	988.35
	(b) Other equity	12	**204,208.65**	203,012.52
			205,313.28	204,000.87
	Liabilities			
	2. Non-current liabilities			
	(a) Long term provisions	13	**1,115.78**	652.74
	(b) Other non-current liabilities	14	**66,967.40**	90,890.81
	Total non-current liabilities		**68,083.18**	91,543.55
	3. Current liabilities			
	(a) Financial Liabilities			
	(i) Trade payables			
	i. total outstanding dues to micro enterprises and small enterprises	15	-	-
	ii. total outstanding dues to creditors other than micro enterprises and small enterprises	15	**100,831.04**	169,186.61
	(ii) Other financial liabilities	16	**18,668.86**	56,117.66
	(b) Short term provisions	13	**2.23**	1.30
	(c) Current tax laibilities (Net)	17	**4,810.42**	6,538.70
	(d) Other current liabilities	18	**18,555.97**	47,443.92
	Total current liabilities		**142,868.52**	279,288.19
	Liabilities		**210,951.70**	370,831.74
	Total equity and liabilities		**416,264.98**	**574,832.61**

See accompanying notes forming part of the Ind AS financial statements

In terms of our report attached
For AKGVG & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No.: 018598N

Aman Aggarwal
Partner
Membership No. 515385

Place: New Delhi
Dated: 13th April, 2019

For and on behalf of the Board of Directors of
EMINENT CABLE NETWORK PRIVATE LIMITED

Tapesh Virendra Singhi
Director
DIN No: 01691488

Place: New Delhi
Dated: 13th April, 2019

Dharamendra Kumar Singh
Director
DIN No: 02109412

Place: New Delhi
Dated: 13th April, 2019

Statement of Profit and Loss for the year ended 31 March, 2019

Particulars		Note No.	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
1.	**REVENUE**			
	a. Revenue from operations	19	**365,169.00**	388,096.47
	b. Other income	20	**5,009.66**	20,325.22
2.	**TOTAL REVENUE**		**370,178.66**	408,421.69
3.	**EXPENSES**			
	a. Employee benefit expense	21	**8,419.80**	8,181.72
	b. Finance costs	22	**5,016.41**	3,113.34
	c. Depreciation and amortisation expense	3	**67,088.31**	66,221.10
	d. Content cost		**162,242.52**	155,166.36
	e. Other expenses	23	**79,131.96**	89,726.19
4.	**TOTAL EXPENSES**		**321,899.00**	322,408.71
5.	**PROFIT/(LOSS) BEFORE EXCPETIONAL ITEM AND TAX EXPENSE (2-4)**		**48,279.66**	86,012.98
6.	Exceptional items	24	**31,914.94**	-
7.	**PROFIT BEFORE TAX (5-6)**		**16,364.72**	86,012.98
8.	**TAX EXPENSE**			
	a. Current tax expense [includes Rs. 0.83 million (previous year Rs. 19.67 miilion) related to jointly controlled entities]		**14,500.00**	24,500.00
	b. Short provision for tax relating to prior years		**830.79**	-
e.	**Net current tax expense**		**15,330.79**	**24,500.00**
	c. Deferred tax	25	**(377.03)**	(255.52)
	NET TAX EXPENSE		**14,953.76**	24,244.48
9.	**PROFIT AFTER TAX (7-8)**		**1,410.96**	61,768.50
10.	**Other Compreshensive Income**			
	(i) Items that will not be reclassified to Profit			
	- Remeasurements of the defined benefit obligation		**(136.53)**	245.08
	- Deferred Tax on Remeasurements of the defined benefit obligation		**37.98**	(68.18)
	Total other compreshensive income		**(98.55)**	176.90
11.	**Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (9+10)**		**1,312.41**	**61,945.40**
12.	**Earnings per equity share**			
	(Face value of Rs. 10 per share)			
	Basic (Rs. per share)	29	**12.78**	624.97
	Diluted (Rs. per share)	29	**12.78**	624.97

See accompanying notes forming part of the Ind AS financial statements

In terms of our report attached
For AKGVG & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No.: 018598N

Aman Aggarwal
Partner
Membership No. 515385

Place: New Delhi
Dated: 13th April, 2019

For and on behalf of the Board of Directors of
EMINENT CABLE NETWORK PRIVATE LIMITED

Tapesh Virendra Singhi
Director
DIN No: 01691488

Place: New Delhi
Dated: 13th April, 2019

Dharamendra Kumar Singh
Director
DIN No: 02109412

Place: New Delhi
Dated: 13th April, 2019

Cash Flow Statement for the Year Ended March 31, 2019

	Particulars	For the year ended March 31, 2019 (Rs. '000)	For the year ended March 31, 2018 (Rs. '000)
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax	**16,364.72**	86,012.98
	Adjustments for:		
	Depreciation & Amortization including impairment	**96,944.78**	66,221.10
	Finance costs	**5,016.41**	3,113.34
	Liabilities/ excess provisions written back (net)	**(4,670.04)**	(19,461.07)
	Provision for doubtful debts	**19,134.37**	30,221.78
	Interest income on Fixed Deposit	**(339.62)**	(864.15)
		132,450.62	**165,243.98**
	Changes in working capital:		
	Adjustments for (increase)/ decrease in operating assets:		
	Trade Receivables	**53,750.91**	(113,864.87)
	Other current financial assets	**(23,412.34)**	(535.13)
	Other current non- financial assets	**9,338,27**	7,648.04
	Other non current non-financial assets	**3,724.06**	(6,083.95)
	Adjustments for increase / (decrease) in operating liabilities:		
	Current financial Liabilities	**(74,783.11)**	76,600.76
	Current non-financial Liabilities	**(28,887.95)**	16,078.31
	Other non current non-financial Liabilities	**(23,923.41)**	(24,888.80)
	Short term provisions	**0.93**	0.05
	Non current provisions	**4,996.55**	19,708.11
	Cash generated from operations	**53,254.53**	139,906.50
	Taxes paid / (refunds)	**(29,405.56)**	(35,997.04)
	Net Cash generated from Operating Activities	**23,848.97**	103,909.48
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Capital expenditure on fixed assets, including capital advances	**(44,637.46)**	(46,670.86)
	Interest income on Fixed Deposit	**339.62**	864.15
	Advance For Investment	-	250.00
	Security deposit	**(30.64)**	(75.24)
	Net Cash used in Investing Activities	**(14,472.01)**	(45,631.95)
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from borrowings	**(32,055.44)**	(59,335.08)
	Share application money received	-	20,000.00
	Finance costs	**(5,016.41)**	(3,113.34)
	Net Cash used in Financing Activities	**(37,071.85)**	(42,448.42)
	Net Increase/(Decrease) in Cash and Cash Equivalents	**(27,694.89)**	15,829.11
	Cash and Cash Equivalents at the beginning of the year	**35,792.97**	19,963.86
	Cash and Cash Equivalents at the end of the year	**8,098.08**	35,792.97
	Cash and Cash Equivalents at the end of the year comprise of:		
	Cash on Hand	**6,386.64**	12,726.58
	Balances with Banks in Current Accounts	**1,711.44**	23,066.39
		8,098.08	35,792.97

Note : The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 7 "Statement of Cash Flow" issued by the Central Government under Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (Companies Indian Accounting Standard Rules, 2015)

In terms of our report attached
For AKGVG & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No.: 018598N

Aman Aggarwal
Partner
Membership No. 515385
Place: New Delhi
Dated: 13th April, 2019

For and on behalf of the Board of Directors of
EMINENT CABLE NETWORK PRIVATE LIMITED

Tapesh Virendra Singhi
Director
DIN No: 01691488
Place: New Delhi
Dated: 13th April, 2019

Dharamendra Kumar Singh
Director
DIN No: 02109412
Place: New Delhi
Dated: 13th April, 2019

Statement of Change in Equity for the Year ended March 31, 2019

A. Equity Share Capital

(Rs. '000)

Particulars	As at 31.03.2019 No of shares	As at 31.03.2019 Amount	As at 31.03.2018 No of shares	As at 31.03.2018 Amount
Numbers of equity share shares at the Beginning	98,835	988.35	98,835	988.35
Add: Shares issued during the year	11,628	116.28	-	-
Numbers of shares at the End	**110,463**	**1,104.63**	**98,835**	**988.35**

B. Other Equity

For the Year ended March 31, 2019 (Rs. '000)

	Reserves and Surplus				Other comprehensive income	Total
Particulars	**Securities premium**	**Share application money**	**Capital Redemption Reserve**	**Retained earnings**	**Actuarial Gain / (Loss)**	
Balance at the beginning of the reporting year	21,839.65	20,000.00	-	161,172.87	-	203,012.52
Premium on shares issued during the year	19,883.72	(20,000.00)	-	-	-	(116.28)
Transfer to retained earnings	-	-	-	1,410.96	(98.55)	1,312.41
Transfer from other comprehensive income to retained earning	-	-	-	(98.55)	98.55	-
Balance at the end of the reporting year	41,723.37	-	-	162,485.28	-	204,208.65
* Shares will be issued at premium	-	-	-	-	-	-

For the Year ended March 31, 2018 (Rs. '000)

	Reserves and Surplus				Other comprehensive income	Total
Particulars	**Securities premium**	**Share application money**	**Capital Redemption Reserve**	**Retained earnings**	**Actuarial Gain / (Loss)**	
Balance at the beginning of the reporting year	21,839.65	-	-	99,227.47	-	121,067.12
Share Application Money received during the year*	-	20,000.00	-	-	20,000.00	
Transfer to retained earnings	-	-	-	61,768.50	176.90	61,945.40
Transfer from other comprehensive income to retained earning	-	-	-	176.90	(176.90)	-
Balance at the end of the reporting year	21,839.65	20,000.00	-	161,172.87	-	203,012.52

In terms of our report attached
For AKGVG & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No.: 018598N

Aman Aggarwal
Partner
Membership No. 515385

Place: New Delhi
Dated: 13th April, 2019

For and on behalf of the Board of Directors of
EMINENT CABLE NETWORK PRIVATE LIMITED

Tapesh Virendra Singhi
Director
DIN No: 01691488

Place: New Delhi
Dated: 13th April, 2019

Dharamendra Kumar Singh
Director
DIN No: 02109412

Place: New Delhi
Dated: 13th April, 2019

Notes to the Financial Statements

1. Background

Eminent Cable Network Private Limited is a Company incorporated in India on February 12, 2012. The Company is primarily engaged in providing cable television distribution and other related services. It is a subsidiary of DEN Entertainment Networks Private Limited.

2 Significant accounting policies

2.1 Basis of preparation

(i) Statement of Compliance and basis of preparation

The Standalone financial statements of the company Comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (Companies Indian Accounting Standard Rules, 2015) and other relevant provisions of the Act. Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of Indian GAAP. These are first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets that is measured at FVTPL.
- defined benefit plans – plan assets measured at fair value; and
- share-based payments

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind As requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Cash and cash equivalents (for purpose of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.4 Cash flow statement

Cash flows are reported using indirect method, whereby Profit before tax reported under statement of profit/ (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

2.5 Property, plant and equipment

All the items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Intangible assets acquired in business combinations are stated at fair value as determined by the management of the Company on the basis of valuation by expert valuers, less accumulated amortisation. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Notes to the Financial Statements

a.	Headend and distribution equipment	6 -15 years
b.	Set top boxes (STBs)	8 years
c.	Office and other equipment	3 to 10 years
d.	Furniture and fixtures	6 years
e.	Vehicles	6 years
f.	Leasehold improvements	Lower of the useful life and the period of the lease.
g.	Fixed assets acquired through business purchase	5 years as estimated by an approved valuer

Intangible assets are amortised over their estimated useful life on straight line method as follows:

a.	Goodwill	5 years
b.	Distribution network rights	5 years
c.	Software	5 years
d.	License fee for internet service	Over the period of license agreement
e.	Non compete fees	5 years

2.6 Revenue recognition

i. Income from operations

1. Service revenue comprises subscription income from digital and analog subscribers, placement of channels, advertisement revenue, fees for rendering management, technical and consultancy services and other related services. Income from services is recognised upon completion of services as per the terms of contracts with the customers. Period based services are accrued and recognised pro-rata over the contractual period.
2. Activation fees on Set top boxes (STBs) is recognised on activation of boxes over the life of the STBs.
3. Amounts billed for services in accordance with contractual terms but where revenue is not recognised, have been classified as advance billing and disclosed under current liabilities.
4. Revenue from prepaid internet service plans, which are active at the end of accounting period, is recognised on time proportion basis.

ii. Sale of equipment

Revenue relating to sale of equipment is recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of equipment to customers. Sales exclude sales tax and value added tax.

2.7 Other income

1. Profit on sale of investments in mutual funds, being the difference between the sales consideration and carrying value of investments.
2. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable,. Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

2.8 Foreign exchange gains and losses

The functional currency for the Company is determined as the currency of the primary economic environment in which it operates. For the Company, the functional currency is the local currency of the country in which it operates, which is INR.

In preparing the financial statements the Company, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Treatment of exchange differences

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are taken into Statement of Profit and Loss.

Notes to the Financial Statements

2.9 Financial instruments

2.9.1 Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables and trade payables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.9.2 Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the financial statements.

3.00 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

a. Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b. Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

c. Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange of services rendered by employees are recognised during the year when the employee renders the services. These benefits include salaries, bonus, leave travel allowance and performance incentives.

Notes to the Financial Statements

d. Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

3.10 Employee share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

3.11 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

3.12 Segment information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Business segments

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".(See also note 28)

3.13 Leases

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

3.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest

Notes to the Financial Statements

and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.15 Taxes on income

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.15.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.15.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

3.16 Impairment of assets

3.16.1 Financial Assets

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

3.16.2 Non financial assets

Intangible assets and property, plant and equipmentProperty plant

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest

Notes to the Financial Statements

group of cash-generating units for which a reasonable and consistent allocation basis can be identified.Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.17 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

3.18 Share issue expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

3.19 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing/ utilising the credits.

3.20 Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes to the Financial Statements

3 (A) Property, plant and equipment **(Rs. '000)**

		As at 31.03.2019	As at 31.03.2018
a)	Plant and equipment		
	(i) Headend and distribution equipment	18,164.15	17,046.91
	(ii) Set top boxes	129,511.83	208,559.15
	(iii) Computers	165.42	298.31
	(iv) Office and other equipment	685.72	77.08
b)	Furniture and fixtures	39.04	55.16
		148,566.16	**226,036.61**
c)	Capital work-in-progress	209.30	1,868.47
		148,775.46	**227,905.08**

(Rs. '000)

	Plant and equipment					
	Headend and distribution equipment	**Set top boxes**	**Computers**	**Office and other equipment**	**Furniture and Fixtures**	**Total**
Gross Block						
Balance at 1 April, 2017	**22,907.63**	**361,919.27**	**501.51**	**152.11**	**89.24**	**385,569.76**
Additions	996.32	5,395.36	152.66	18.51	5.18	**6,568.02**
Balance at 31 March, 2018	**23,903.93**	**367,314.63**	**654.16**	**170.61**	**94.42**	**392,137.78**
Additions	3,899.03	12,846.31	44.28	684.71	-	**17,474.33**
Disposals	-	-	-	-	-	-
Balance at 31 March, 2019	**27,802.95**	**380,160.94**	**698.44**	**855.32**	**94.42**	**409,612.11**
Accumulated depreciation						
Balance at 1 April, 2017	**(4,262.15)**	**(95,661.30)**	**(204.12)**	**(57.54)**	**(23.71)**	**(100,208.82)**
Depreciation expenses	(2,594.89)	(63,094.18)	(151.73)	(35.98)	(15.55)	**(65,892.33)**
Elimination on disposals of assets	-	-	-	-	-	-
Balance at 31 March, 2018	**(6,857.03)**	**(158,755.48)**	**(355.85)**	**(93.52)**	**(39.25)**	**(166,101.15)**
Depreciation expenses	(2,781.78)	(62,037.16)	(177.18)	(76.08)	(16.12)	**(65,088.32)**
Eliminated on disposals of assets	-	-	-	-	-	-
Balance at 31 March, 2019	**(9,638.82)**	**(220,792.64)**	**(533.03)**	**(169.59)**	**(55.37)**	**(231,189.47)**
Provision for Impairment						
Balance at 1 April, 2017	-	-	-	-	-	-
Impairment Expenses	-	-	-	-	-	-
Balance at 31 March, 2018	**-**	**-**	**-**	**-**	**-**	**-**
Impairment Expenses	-	(29,856.47)	-	-	-	-
Balance at 31 March, 2019	**-**	**(29,856.47)**	**-**	**-**	**-**	**-**
Carrying amount						
Balance at 1 April, 2017	18,645.48	266,257.97	297.39	94.57	65.53	285,360.93
Additions	996.32	5,395.36	152.66	18.51	5.18	**6,568.02**
Disposals	-	-	-	-	-	-
Impairment Expenses	-	-	-	-	-	-
Depreciation expenses	(2,594.89)	(63,094.18)	(151.73)	(35.98)	(15.55)	**(65,892.32)**
Balance at 31 March, 2018	**17,046.91**	**208,559.15**	**298.31**	**77.08**	**55.16**	**226,036.63**

Notes to the Financial Statements

	Plant and equipment Headend and distribution equipment	Set top boxes	Computers	Office and other equipment	Furniture and Fixtures	Total
Additions	3,899.03	12,846.31	44.28	684.71	-	**17,474.32**
Disposals	-	-	-	-	-	-
Impairment Expenses	-	(29,856.47)	-	-	-	**(29,856.47)**
Depreciation expense	(2,781.78)	(62,037.16)	(177.18)	(76.08)	(16.12)	**(65,088.32)**
Balance at 31 March, 2019	**18,164.15**	**129,511.83**	**165.42**	**685.72**	**39.04**	**148,566.16**

3 (B) Other intangibe assets

(Rs. '000)

	As at 31.03.2019	As at 31.03.2018
Carrying amounts of :		
a) Distribution and network rights	7,671.23	9,671.23
	7,671.23	**9,671.23**

	Distribution and network rights	Total
Gross Block		
Balance at 1 April, 2017	-	-
Additions	10,000.00	**10,000.00**
Disposals	-	-
Balance at 31 March, 2018	**10,000.00**	**10,000.00**
Additions	-	-
Disposals	-	-
Balance at 31 March, 2019	**10,000.00**	**10,000.00**
Accumulated depreciation		
Balance at 1 April, 2017	-	-
Depreciation expenses	**(328.77)**	**(328.77)**
Elimination on disposals of assets	-	-
Balance at 31 March, 2018	**(328.77)**	**(328.77)**
Depreciation expenses	**(2,000.00)**	**(2,000.00)**
Eliminated on disposals of assets	-	-
Balance at 31 March, 2019	**(2,328.76)**	**(2,328.76)**
Carrying amount		
Balance at 1 April, 2017	-	-
Additions	10,000.00	10,000.00
Disposals	-	-
Depreciation expenses	(328.77)	(328.77)
Balance at 31 March, 2018	**9,671.23**	**9,671.23**
Additions	-	-
Disposals	-	-
Depreciation expense	(2,000.00)	(2,000.00)
Balance at 31 March, 2019	**7,671.23**	**7,671.23**

Notes to the Financial Statements

	Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
4.	**Non-current investments**		
	a. Trade and unquoted - Investments in equity shares (Carried at FVTPL)		
	i. of subsidiary		
	56,328 (Previous Year 56,328) equity shares of Rs. 10 each, fully paid up in ABC Cable Network Private Limited	**5,000.00**	5,000.00
	51,000 (Previous Year 51,000) equity shares of Rs. 10 each, fully paid up in Angel Cable Network Private Limited	**2,100.00**	2,100.00
		7,100.00	**7,100.00**
5.	**Other financial assets**		
	a. Security deposits	**235.88**	205.24
		235.88	**205.24**
6.	**Other non-current assets**		
	a. Prepaid expenses	**21,801.57**	25,525.63
	b. Deposits against cases with		
	i. Sales tax authorities*	**305.67**	305.67
		22,107.24	**25,831.30**
	* Deposited to the Department of Commercial taxes (VAT) under protest (refer note 40)		
7.	**Trade receivables (Unsecured)**		
	Current		
	Trade receivables		
	(a) unsecured, considered good	**134,898.20**	207,783.46
	(b) Doubtful	**55,784.66**	31,624.32
	Allowance for doubtful debts (Expected credit loss allowance)	**(55,784.66)**	(31,624.32)
		134,898.20	**207,783.406**
7a.	**Movement in the allowance for doubtful debts**		
	Balance at beginning of the year	**31,624.32**	29,955.97
	Add: Provided during the year	**33,464.19**	1,668.35
	Less: Reversed on account of balances written off	**(9,303.85)**	-
		55,784.66	**31,624.32**
7b.	**Trade receivables breakup (net of allowances)**		
	Of the above, trade receivables from:		
	- Related Parties	**90,105.84**	136,399.80
	Less: Provision for doubtful trade receivables	**3,565.03**	-
	Total	**86,540.81**	**136,399.80**
	- Others	**100,577.02**	103,007.98
	Less: Provision for doubtful trade receivables	**52,219.63**	31,624.32
	Total	**48,357.40**	**71,383.66**
8.	**Cash and cash equivalents**		
	a. Cash on hand	**6,386.64**	12,726.58
	b. Balance with banks		
	i. in current accounts	**1,711.44**	23,066.39
		8,098.08	**35,792.97**

Notes to the Financial Statements

	Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
9.	**Other financial assets**		
	i. Advance to employees	**298.04**	232.78
	ii. Unbilled Revenue	**26,837.11**	3,722.81
		27,135.15	**3,955.59**
10.	**Other current assets**		
	a. Prepaid expenses	**4,557.06**	7,108.99
	b. Balance with government authorities		
	i. GST credit receivable	**5,008.52**	5,800.64
	c. Other advances	-	5,761.44
		9,565.58	**18,671.07**

	Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
11.	**SHARE CAPITAL**		
	A. AUTHORISED		
	1,50,000 Equity Shares of Rs. 10/- each (PY 1,50,000 Equity shares of Rs. 10 each)	**1,500.00**	1,500.00
	B. ISSUED, SUBSCRIBED AND FULLY PAID UP		
	1,10,463 (98,835) Equity Shares of Rs. 10/- Each fully paid up	**1,104.63**	988.35

a) The reconciliation of the number of shares outstanding and the amount of share capital:

Particulars	As at 31.03.2019		As at 31.03.2019	
	No of shares	Amount	No of shares	Amount
Numbers of equity share shares at the Beginning	**98,835**	**988.35**	98,835	988.35
Add: Shares issued during the year	**11,628**	**116.28**	-	-
Numbers of shares at the End	**110,463**	**110.46**	98,835	988.35

b) Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

Particulars	As at 31.03.2019		As at 31.03.2019	
	No of shares	Amount	No of shares	Amount
Den Networks Limited (Holding Company)	**61,860**	**618.60**	55,348	553.48

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

Name of Shareholder	As at 31.03.2019		As at 31.03.2019	
	No of shares	% Holding	No of shares	% Holding
Den Networks Limited (Holding Company)	**61,860**	**56.00%**	55,348	56.00%
Dharmendra Kumar Singh	**30,951**	**28.02%**	25,835	26.14%
Shushila Singh	**17,652**	**15.98%**	17,652	17.86%
Total	**110,463**		**98,835**	

d) The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Equity Shareholders are eligible to dividend proposed by the Board of Directors as approved by Shareholders in the ensuing Annual General Meeting.

Notes to the Financial Statements

e) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) 11,628 equity shares of face value of Rs.10 each have been alloted on 04th Apr 2018 at the price of Rs.1720/- per Share (including premium of Rs.1710/- per share) aggregating to Rs. 2 Crore, approved by Board of Directors in their meeting held on 04th Apr 2018, to the eligible equity share holders on ranking pari-passu with the existing shares of the company

12 Other Equity **(Rs. '000)**

For the Year ended March 31, 2019 **(Rs. '000)**

	Reserves and Surplus					Other comprehensive income	Total
Particulars	**Securities premium**	**Share application money**	**Equity-settled employee benefits reserve**	**Capital Redemption Reserve**	**Retained earnings**	**Actuarial Gain / (Loss)**	
Balance at the beginning of the reporting year	21,839.65	20,000.00	-	-	161,172.87	-	203,012.52
Share Application Money recd during the year*	19,883.72	(20,000.00)	-	-	-	-	(116.28)
Transfer to retained earnings	-	-	-	-	1,410.96	(98.55)	1,312.41
Transfer from other comprehensive income to retained earning	-	-	-	-	(98.55)	98.55	-
Balance at the end of the reporting year	41,723.37	-	-	-	162,485.28	-	204,208.65

Other Equity

For the year ended March 31, 2018 **(Rs. '000)**

	Reserves and Surplus					Other comprehensive income	Total
Particulars	**Securities premium**	**Share application money**	**Equity-settled employee benefits reserve**	**Capital Redemption Reserve**	**Retained earnings**	**Actuarial Gain / (Loss)**	
Balance at the beginning of the reporting year	21,839.65	-	-	-	99,227.47	-	121,067.12
Share Application Money recd during the year*	-	20,000.00	-	-	-	-	20,000.00
Transfer to retained earnings	-	-	-	-	61,768.50	176.90	61,945.40
Transfer from other comprehensive income to retained earning	-	-	-	-	176.90	(176.90)	-
Balance at the end of the reporting year	21,839.65	20,000.00	-	-	161,172.87	-	203,012.52

* Shares will be issued at premium

Notes to the Financial Statements

	Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
13.	**Provisions**		
	Long-term provisions		
	a. Provision for employee benefits		
	i. Provision for gratuity	**1,115.78**	652.74
		1,115.78	**652.74**
	Short-term provisions		
	a. Provision for employee benefits		
	i. Provision for gratuity	**2.23**	1.30
		2.23	**1.30**
14.	**Other non-current liabilities**		
	a. Deferred revenue	**66,967.40**	90,890.81
		66,967.40	**90,890.81**
15.	**Trade payables**		
	Trade payables - Other than acceptances		
	a. total outstanding dues of micro enterprises and small enterprises	-	-
	b. total outstanding dues of creditors other than micro enterprises and small enterprises		
	- Payable for goods and services	**100,831.04**	169,186.61
		100,831.04	**169,186.61**
15a	**Trade payable breakup**		
	Of the above, trade payable to:		
	- Related Parties	**84,132.86**	141,321.90
	- Others	**16,698.18**	27,864.71
	Total	**100,831.04**	**169,186.61**
16.	**Other financial liabilities**		
	a. Current maturities of finance lease obligations	-	32,055.44
	b. Payables on purchase of Property, plant and equipment	**1,835.00**	800.83
	c. Others	**16,833.86**	23,261.39
		18,668.86	**56,117.66**
17.	**Current tax liabilities (Net)**		
	a. Provision for income tax (Net of advance tax current year Rs. 1,11,681.37 previous year Rs. 86,730.78)	**4,810.42**	6,538.70
		4,810.42	**6,538.70**
18.	**Other current liabilities**		
	a. Deferred revenue	**16,242.08**	31,434.42
	b. Statutory dues	**2,313.89**	16,009.50
		18,555.97	**47,443.92**

Notes to the Financial Statements

	Particulars	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
19.	**REVENUE FROM OPERATIONS**		
	a. Sale of services (See note below)	**365,169.00**	388,096.47
		365,169.00	**388,096.47**
	Note:		
	Sale of services comprises:		
	a. Placement income	**147,712.33**	164,307.77
	b. Subscription income	**176,938.39**	192,726.71
	c. Activation income	**40,518.28**	30,557.81
	d. Advertisement income	**-**	504.18
		365,169.00	**388,096.47**
20.	**OTHER INCOME**		
	a. Interest income		
	i. on fixed deposits	**339.62**	864.15
	b. Liabilities/ excess provisions written back	**4,670.04**	19,461.07
		5,009.66	**20,325.22**
21.	**EMPLOYEE BENEFIT EXPENSE**		
	a. Salaries and allowances	**7,184.13**	7,161.39
	b. Contribution to provident and other funds	**373.10**	388.59
	c. Gratuity expense	**327.45**	247.08
	d. Staff welfare expenses	**535.12**	384.66
		8,419.80	**8,181.72**
22.	**FINANCE COSTS**		
	a. Interest expense on		
	(i) Interest on finance lease obligations	**-**	168.29
	b. Interest on delayed payment	**5,016.41**	2,945.05
		5,016.41	**3,113.34**
23.	**OTHER EXPENSES**		
	a. Distributor commission/ incentive	**7,148.41**	7,321.88
	b. Rent and hire charges (See note 27)	**5,083.20**	5,128.20
	c. Repairs and maintenance		
	i. Plant and machinery	**1,091.76**	1,142.78
	ii. Others	**5,926.06**	5,856.11
	d. Electricity expense	**1,620.44**	1,065.72
	e. Consultancy, professional and legal charges*	**7,370.56**	11,221.52
	f. Expenditure on corporate social responsibility	**1,800.00**	1,700.00
	g. Brokerage/ commission	**2,000.00**	-

Notes to the Financial Statements

	Particulars	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
h,	Contract service charges	**4,482.82**	3,620.74
i.	Printing and stationery	**419.99**	230.93
j.	Travelling and conveyance	**1,243.28**	261.77
k.	Advertisement, publicity and business promotion	**1,257.94**	547.41
l.	Telecommunication expenses	**466.65**	485.10
m.	Leaseline/bandwidth expenses	**15,512.96**	19,468.44
n.	Rates and taxes	**2,720.73**	902.78
o.	Bad trade receivables and advances written off	**3,565.03**	28,553.43
p.	Provision for doubtful debts	**15,569.34**	1,668.35
q.	Miscellaneous expenses	**1,852.79**	551.03
		79,131.96	**89,726.19**

* Consultancy, professional and legal charges includes
Auditor's remuneration as under :

		31.03.2019	31.03.2018
a.	To statutory auditors		
	: Statutory audit fee	**112.50**	112.50
	: Tax audit fee	**15.00**	15.00
	: For others	**70.00**	-
		197.50	**127.50**

24. EXCEPTIONAL ITEMS*

		31.03.2019	31.03.2018
a.	Rates & Taxes	**537.75**	-
b.	Provision fo Doubtful Debts	**17,894.85**	-
c.	Provision for Impairment on Property, Plant & Equipment	**29,856.47**	-
d.	Digital Activation	**(4,027.64)**	-
e.	Deferred Tax	**(12,346.49)**	-
		31,914.94	-

* refer Note no. 41

25 Current Tax and Deferred Tax

(a) Income Tax Expense (Rs. '000)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Current Tax:		
Current Income Tax Charge	**15,330.79**	24,500.00
Deferred Tax		
In respect of current year origination and reversal of temporary differences	**(377.03)**	(255.52)
Total Tax Expense recognised in profit and loss account	**14,953.76**	**24,244.48**
Deferred Tax considered in exceptional items	(12,346.49)	-
	2,607.28	**24,244.48**

Notes to the Financial Statements

(b) Income Tax on Other Comprehensive Income **(Rs. '000)**

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Current Tax	-	-
Deferred Tax		
Remeasurement of Defiend Benefit Obligaitons	**37.98**	(68.18)
Total	**37.98**	**(68.18)**

(c) Movement of Deferred Tax

(i) Movement of Deferred Tax for 31.03.2019 **(Rs. '000)**

	Year ended 31.03.2019		
Particulars	**As at 01.04.2018**	**Recognised in statement of profit and Loss**	**As at 31.03.2019**
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	3,228.06	(15,787.14)	19,015.20
	3,228.06	**(15,787.14)**	**19,015.20**
Tax effect of items constituting deferred tax assets			
Employee Benefits	181.95	(91.10)	311.03
Doubtful debts/advances/impairment	8,797.89	(6,721.40)	15,519.29
Other financial asset	25,708.77	9,876.13	15,832.64
	34,688.61	**3,063.63**	**31,662.96**
Net Tax Asset (Liabilities)	**37,916.67**	**(12,723.51)**	**50,678.16**

(ii) Movement of Deferred Tax for 31.03.2018

	Year ended 31.03.2019		
Particulars	**As at 01.04.2018**	**Recognised in statement of**	**As at 31.03.2019**
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	(3,210.19)	(6,438.25)	3,228.06
	(3,210.19)	**(6,438.25)**	**3,228.06**
Tax effect of items constituting deferred tax assets			
Employee Benefits	179.65	(2.30)	181.95
Doubtful debts/advances/impairment	8,253.62	(544.27)	8,797.89
Other Financial Assets	32,506.24	6,797.47	25,708.77
	40,939.51	**6,250.90**	**34,688.61**
Net Tax Asset (Liabilities)	**37,729.32**	**(187.35)**	**37,916.67**

(d) Numerical Reconciliation between average effective tax rate and applicable tax rate :

(Rs. '000)

Particulars	**As at March 31, 2019**		**As at March 31, 2018**	
	Amount	**Tax Rate**	**Amount**	**Tax Rate**
Profit/(Loss) Before Excpetional Item And Tax Expense	**48,279.66**	**27.82%**	**86,012.98**	**27.55%**
Exceptional Items	31,914.94		-	
Profit/(Loss) After Excpetional Item And Before Tax Expense	**16,364.72**		-	
Tax on above	4,552.66		23,699.16	

Notes to the Financial Statements

Tax Impacts of the followings		
Permanent Differences	5,529.67	792.69
Timing Differences	4,027.24	(117.61)
IND AS Impact	-	(250.16)
Deferred tax included in exceptional item	(12,346.49)	-
Rounding of Tax Provision	13.41	120.40
Short Provision of earlier years	830.79	-
	2,607.28	**24,244.48**
Tax Expense debited to P&L A/c		
Current Tax	15,330.79	24,500.00
Deferred Tax included in exceptional item	(12,346.49)	-
Deferred Tax	(377.03)	(255.52)
Tax Expense	**2,607.28**	**24,244.48**

26. Disclosure pursuant to IND AS 19 on 'Employee Benefits'

Employee benefit plans

(i) Defined benefit plans

The Company makes provident fund contribution which is the defined contribution plan for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contribution payable by the Company is at the rates spoecified in the rules to the plans.

Gratuity plan

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 20 lakhs. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Company financial statements as at 31 March, 2019:

Particulars	**Year ended 31.03.2019 (Rs. '000)**	**Year ended 31.03.2018 (Rs. '000)**
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Current Service cost	276.76	196.55
Interest cost	50.69	50.53
Past Service Cost		
Actuarial (gain)/loss recognised during the year	136.53	(245.08)
Components of defined benefit costs reconised in Statement of profit or loss	**463.98**	**2.00**
Remeasurement on the net defined benefit liability		
Actuarial gains and loss arising form experience adjustments	149.11	(230.19)
Components of defined benefit costs recognised in other comprehensive income	**136.53**	**(245.08)**

Notes to the Financial Statements

Particulars		Year ended 31.03.2019 (Rs. '000)	Year ended 31.03.2018 (Rs. '000)
I.	**Net Asset/(Liability) recognised in the Balance Sheet as at 31st March, 2019**		
	1. Present value of defined benefit obligation as at 31st March	1,118.02	654.03
	2. Current portion of the above	2.23	1.30
	3. Non current portion of the above	1,115.78	652.74
II.	**Change in defined benefit obligations (DBO) during the year**		
	Present value of DBO* at beginning of the year	654.03	652.03
	Expense recognised in Statement of profit or loss		
	- Current service cost	276.76	196.55
	- Interest cost	50.69	50.53
	Past Service Cost	-	-
	Recognised in other comprehensive income/ other income		
	- Actuarial (gain)/loss on obligation	136.53	(245.08)
	- Benefits paid	-	-
	Present value of DBO at the end of the year	**1,118.02**	**654.03**

**Defined benefit obligations liability as at the balance sheet date is unfunded.*

Principal actuarial assumptions for gratuity and compensated absences:Principal actuarial assumptions:

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Discount rate (per annum)	7.75%	7.75%
Estimated salary escalation rate (per annum)	8%	8%
Retirement age (years)	58	58
Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal Rates	**In %**	**In %**
Upto 30 years	5	3
From 31 years to 44 years	5	2
Above 44 years	5	1

(ii) Effect of plan on entity's future cash flows

(a) Funding arrangements and funding policy

Not Applicable

(b) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

01 Apr 2019 to 31 Mar 2020	50.41
01 Apr 2020 to 31 Mar 2021	50.41
01 Apr 2021 to 31 Mar 2022	90.40
01 Apr 2022 to 31 Mar 2023	220.46
01 Apr 2023 to 31 Mar 2024	47.38
01 Apr 2023 Onwards	657.68

(c) Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Notes to the Financial Statements

Period	**Liability**	**% Change**
Defined Benefit Obligation (Base)	11,18,015 @ Salary Increase Rate : 8%, and discount rate :7.75%	
Liability with x% increase in Discount Rate [% Change]	10,20,657 [(9)%], x=1.00%	-9%
Liability with x% decrease in Discount Rate [% Change]	12,32,158 [10%], x=1.00%	10%
Liability with x% increase in Salary Growth Rate [% Change]	12,30,746 [10%], x=1.00%	10%
Liability with x% decrease in Salary Growth Rate [% Change]	10,20,073 [(9)%], x=1.00%	-9%
Liability with x% increase in Withdrawal Rate [% Change]	11,11,375 [(1)%], x=1.00%	-1%
Liability with x% decrease in Withdrawal Rate [% Change]	11,25.,083 [1%], x=1.00%	1%

Notes:

a. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

b. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c. The gratuity plan is unfunded.

27. Operating Lease

The Company has entered into a cancellable operating lease for office premises. The lease rental expenses recognised in the Statement of Profit and Loss for the year is Rs. 1483.20 thousand. [Previous year Rs. 1,483.20 thousand].

28. Disclosures as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	Particulars	**As at 31.03.2019 (Rs. '000)**	**As at 31.03.2018 (Rs. '000)**
(a)	(i) the principal amount remaining unpaid to any supplier	-	-
	(ii) interest due thereon	-	-
(b)	interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day.	-	-
(c)	interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d)	interest accrued and remaining unpaid	-	-
(e)	further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

29. Earnings per equity share (EPS)*

	Particulars	**Year ended 31.03.2019**	**Year ended 31.03.2018**
a.	Net Profit attributable to equity shareholders	1,410.96	61,768.50
b.	Weighted average number of equity shares outstanding used in computation of basic EPS	110,367	98,835
c.	Basic Profit per equity share of Rs. 10 each (in Rs.)	12.78	624.97
d.	Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS	110,367	98,835
e.	Diluted Earnings per equity share of Rs. 10 each (in Rs.)	12.78	624.97

* There are no potential equity shares as at 31.03.2019 (nil at 31.03.2018)

30 Related Party Disclosures

I. List of related parties

a Ultimate Holding Company

1 DEN Networks Ltd (formerly known as DEN Digital Entertainment Networks Ltd)

b Key Managerial Person

Mr. Dharmendra Kumar Singh — Director

Universal Marketing — Proprietor - Mr. Dharmendra Kr. Singh

c Fellow Subsidiary Company (with whom transactions have been taken place during the year)

1 Den Kashi Cable Pvt. Ltd.
2 Bhadohi Den Entertainment Pvt. Ltd.
3 ABC Cable Network Pvt. Ltd.
4 Angel Cable Network Pvt. Ltd.
5 Divya Drishti Cable Network Pvt. Ltd.
4 Kishna DEN Cable Network Pvt. Ltd.

II. Transactions/ outstanding balances with related parties during the year

(Figures in bracket relates to previous year)

Particulars	Holding Company	Associate Company	Fellow Subsidiaries						Key Managerial Person		
	Den Networks Limited	Indiacast UTV Media Distribution P Ltd	Den Kashi cable Pvt. Ltd.	Divya Drishti Cable Network Pvt. Ltd.	Bhadohi Den Entertain-ment Pvt. Ltd.	ABC Cable Network Pvt. Ltd.	Angel Cable Network Pvt. Ltd.	Kishna DEN Cable Network Pvt. Ltd.	Mr. DK Singh	Universal Marketing	Grand total
A. Transactions during the year											
i. Sale of Services											
For the year ended 31st March 2019	**125,606.54**		-	-	-	-	-	-	-	-	**125,606.54**
For the year ended 31st March 2018	(137,564.69)	-	-	-	-	-	-	-	-	-	(137,564.69)
ii. Other Income											
For the year ended 31st March 2019	**873.27**	**297.44**									**1,170.71**
For the year ended 31st March 2018	(17,238.31)	-	-	-	-	-	-	-	-	-	(17,238.31)
iii. Purchase of Services											
For the year ended 31st March 2019	**122,498.16**		**3,600.00**	-	-	-	-	-	**600.00**	**6,316.40**	**126,698.16**
For the year ended 31st March 2018	(129,351.91)	-	(3,600.00)	-	-	-	-	-	(600.00)	(2,250.00)	(133,551.91)
iv. Bad Debts											
For the year ended 31st March 2019	**3,565.03**	-	-	-	-	-	-	-	-	-	**3,565.03**
For the year ended 31st March 2018	-	-	-	-	-	-	-	-	-	-	-
v. Salary											
For the year ended 31st March 2019	**1,800.00**								**1,800.00**		
For the year ended 31st March 2018	-	-	-	-	-	-	-	-	(1,800.00)	-	(1,800.00)
vi Activation cost											
For the year ended 31st March 2019	**4,482.82**										**4,482.82**
For the year ended 31st March 2018	(3,620.75)	-	-	-	-	-	-	-	-	-	(3,620.75)
vii Share application money received											
For the year ended 31st March 2019	**-**	**-**									
For the year ended 31st March 2018	(11,200.00)	-	-	-	-	-	-	-	-	-	(11,200.00)
B. Outstanding balances at year end											
i. Trade payables											
As on 31st March 2019	**73,299.79**	**-**	**10,760.65**	**20.72**	**51.69**	**-**					**84,132.86**
As on 31st March 2018	(130,887.27)	(141.40)	(10,153.23)	(35.47)	(66.44)	(38.08)	-	-	-	-	(141,321.90)
ii. Other Current Liabilities											
As on 31st March 2019	**2,640.50**		**2,011.74**	**365.04**	**326.54**	**17.01**	**187.03**	**771.77**	**-**	**-**	**6,319.61**
As on 31st March 2018	(32,945.94)	-	(2,011.74)	(365.04)	(326.55)	(17.01)	(187.03)	(787.02)	-	(11.30)	(36,640.32)
iii. Trade receivables											
As on 31st March 2019	**88,379.86**	**139.231**	**489.26**		**105.56**	**697.70**	**294.22**				**90,105.84**
As on 31st March 2018	(134,757.24)	(221.24)	(489.26)	-	(105.56)	(547.02)	(279.47)	-	-	-	(136,399.80)
iv. Other Loan & Advances											
As on 31st March 2019	**54.63**	**-**									**54.63**
As on 31st March 2018	(921.79)	-	-	-	-	-	-	-	-	-	(921.79)
v. Unbilled											
As on 31st March 2019	**17,382.08**										**17,382.08**
As on 31st March 2018	(504.17)	-	-	-	-	-	-	-	-	-	(504.17)
vi. Deferred Revenue Cost											
As on 31st March 2019	**26,298.48**										**26,298.48**
As on 31st March 2018	(29,914.14)	-	-	-	-	-	-	-	-	-	(29,914.14)
viii. Share application money											
As on 31st March 2019	**-**	**-**									
As on 31st March 2018	(11,200.00)	-	-	-	-	-	-	-	-	-	(11,200.00)

31. Financial Instruments

(a) Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31.03.2019 **(Rs. '000)**

Financial assets	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Cash and cash equivalents	8,098.08	-	-	8,098.08
Trade receivables	134,898.20	-	-	134,898.20
Security deposits	235.88	-	-	235.88
Advance for investments	-	-	-	-
Trade payables	7,100.00	-	-	7,100.00
Other current financial assets	27,135.15	-	-	27,135.15
	177,467.31	**-**	**-**	**177,467.31**

Financial assets	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Trade payables	100,831.04	-	-	100,831.04
Other current financial liabilities	18,668.86	-	-	18,668.86
	119,499.90	**-**	**-**	**119,499.90**

As at 31.03.2018

Financial assets	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Cash and cash equivalents	35,792.97	-	-	35,792.97
Trade and other receivables	207,783.46	-	-	207,783.46
Security deposits	205.24	-	-	205.24
Trade payables	7,100.00	-	-	7,100.00
Other current financial assets	3,955.59	-	-	3,955.59
	254,837.26	**-**	**-**	**254,837.26**

Financial liabilities	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Trade payables	169,186.61	-	-	169,186.61
Other current financial liabilities	56,117.66	-	-	56,117.66
	225,304.27	**-**	**-**	**225,304.27**

(b) Risk management framework

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include Investment, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Liquidity risk

The company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the company.

(Rs. '000)

As at 31.03.2019	<1 year	> 1 Year	Total
Current			
- Trade payables	100,831.04	-	100,831.04
- Other current financial liabilities	18,668.86	-	18,668.86
Total	**119,499.90**	**-**	**119,499.90**

As at 31.03.2018	<1 year	> 1 Year	Total
- Trade payables	169,186.61	-	169,186.61
- Other current financial liabilities	56,117.66	-	56,117.66
Total	**225,304.27**	**-**	**225,304.27**

Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company is exposed to credit risk for receivables, cash and cash equivalents, short-term investments and loans and advances.

Credit risk on receivables is limited as most of the portion of receivables is pertaining to fellow subsidiairy or holding/ ultimate holding Company. The history of trade receivables shows a negligible provision for bad and doubtful debts.

None of the company's cash equivalents are past due or impaired. Regarding trade and other receivables, and other non-current assets, there were no indications as at 31.03.2019, that defaults in payment obligations will occur.

Of the year ended 31.03.2019 and 31.03.2018 Trade and other receivables balance the following were past due but not impaired:

(Rs. '000)

As at 31.03.2019	Due less than 6 months	Due greater than 6 months	Total
Trade Receivables	108,722.53	26,175.67	134,898.20
Security Deposit	-	235.88	235.88
Other Current Financial Assets	27,135.15	-	27,135.15
	135,857.68	**26,411.55**	**162,269.23**

As at 31.03.2018	Due less than 6 months	Due greater than 6 months	Total
Trade Receivables	155,405.94	52,377.52	207,783.46
Security Deposits	-	205.24	205.24
Other Current Financial Assets	3,955.59	-	3,955.59
	159,361.53	**52,582.76**	**211,944.29**

(a) Receivables are deemed to be past due or impaired with reference to the company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

(b) The credit quality of the company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the company actively seeks to recover the amounts in question and enforce compliance with credit terms.

32. In the opinion of the Management, Current Assets, Loans and Advances are of the value stated, if realized in the ordinary course of business.

33. The Company is providing cable television network and allied services and hence has only one reportable segment. The operations of the Company are located in India.

34 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans.

The funding requirements are met through a mixture of equity, internal fund generation, convertible and non convertible debt securities, and other short term borrowings. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises all components of equity without any exclusion.

The following table summarizes the capital of the Company:

Particulars	**As at 31 March, 2019 (Rs. '000)**	**As at 31 March, 2018 (Rs. '000)**
Net debt (a)		
Short-term borrowings (Note 16)	-	32,055.44
Cash and cash equivalents (Note 8)	8,098.08	35,792.97
	(8,098.08)	**(3,737.53)**
(f)		
Total Equity (b)	**205,313.28**	**204,000.87**
Net debt to equity ratio (c = a/b)	**(0.04)**	**(0.02)**

35. Certain Credit balances included in Current Liabilities are pending for confirmation and consequential reconciliation.

36. Sundry debtors/ Advances as at the Balance Sheet date in view of management represent bonafide sums due by debtors for services arising on or before that date and advances for value to be received in cash or in kind respectively. The balances however are subject to confirmation from respective parties except related parties who have confirmed the balance outstanding in their account.

37. The debit / credit balances in group Companies including DEN Networks Limited have been grouped under Trade payable, Other liability and Trade receivable on 'gross' basis as in the previous year.

38. "Pursuant to TRAI notification, Digital Addressable System(DAS) has been implemented in the territory of the company under phase-III w.e.f 01 Jan, 2016. Eminent Cable Network Private Limited "the Parent Company and the MSO" has the DAS licence for the said territory. Therefore, as per the mutual agreement , the parent company has billed to the LCOs of the company and has been charged on back to back basis by its subsidiaries. There is no impact on the profitability of the company due to billing by its subsidiaries on back to back basis."

39. The Company has total investments of Rs. 71,00,000 in subsidiary companies. The management of the Company expects that these subsidiary companies will have positive cash flows to adequately sustain its operations in the foreseeable future. Having regard to the long term investment and strategic involvement no provision for diminution of these investments has been considered necessary.

40. Department of Commercial Taxes (VAT), Uttar Pradesh, has raised a provisional demand u/s 25 (1) of UP VAT Act, 2008 of Rs. 113,81,452/- against the Company towards amount of VAT payable for the m/o April & May 2013; presuming that Set Top Boxes which are being purchased by the company for the provision of cable services has been sold to the end subscribers. The Company has deposited a sum of Rs. 305,673/- under protest against this demand. The Company has filed an appeal against this provisional assessment order passed u/s 25 (1) with the Additional Commissioner – Appeals. Based on its own assessment, the management is of view that it has a very strong case against the Commercial Tax Department, Uttar Pradesh and no VAT is payable by the Company. No provision has accordingly been made against this demand.

41. Exceptional items of Rs. 31,914.94 Thousands comprise:a) Doubtful receivables and advances from/to customers/parties and balance with government authorities provided for amounting to Rs. 18,432.60 thousand. Pursuant to implementation of new regulatory framework by Telecom Regulatory Authority of India (TRAI) dated 3 March,2017 ('Tariff order') w.e.f. 20 December,2018, the Group had to revamp their mode of operations which includes changes in the information technology systems to migrate to the new regulatory framework. Such adjustments also required finalisation of revenue sharing mechanism with the Local Cable Operators (LCOs). Based on the re-assessment of the value of assets appearing in the books of account in the light of the new regulatory framework and the increase in competition on account of rates parity in the market, the Company has recognised an impairment of doubtful advances/trade receivables of Rs. 18,432.60 thousand. b) Impairment of property, plant and equipment amounting to Rs. 25,828.83 thousand . During the period, the Group has carried out a detailed assessment of property, plant and equipment in terms of recoverability and usability of these assets and therefore have recognised a one-time impairment in the value of property, plant and equipment of Rs. 25,828.83 thousand.c) Deferred tax reversal of (Rs.12,346.49) thousand . Deferred tax reversed on the items mentioned in point no. (a) & (b) cited above.

42. Previous year figures have been regrouped/reclassified wherever considered necessary, to make them comparable with current year figures.

In terms of our report attached
For AKGVG & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No.: 018598N

Aman Aggarwal
Partner
Membership No. 515385
Place: New Delhi
Dated: 13th April, 2019

For and on behalf of the Board of Directors of
EMINENT CABLE NETWORK PRIVATE LIMITED

Tapesh Virendra Singhi
Director
DIN No: 01691488
Place: New Delhi
Dated: 13th April, 2019

Dharamendra Kumar Singh
Director
DIN No: 02109412
Place: New Delhi
Dated: 13th April, 2019