Fortune (Baroda) Network Private Limited
Financial Statements
2020-21

FORTUNE (BARODA) NETWORK PVT. LTD.
CIN - U72200GJ2003PTC043302
BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note No.	As at 31.03.2021 (Rs.' 000)	As at 31.03.2020 (Rs.' 000)
A. ASSETS			
1. Non-Current Assets			
(a) Property, plant and equipment	3	235.45	303.55
(b) Capital work in progress		-	-
		235.45	**303.55**
(c) Deferred tax assets (net)	19	96.37	94.04
(d) Other non-current assets	4	79.01	1,474.14
		410.83	1,871.73
2. Current Assets			
(a) Financial Assets			
(i) Trade receivables	5	94.10	93.76
(ii) Cash and cash equivalents	6	449.51	2,121.52
(iii) Other financial assets	7	16.87	43.69
(b) Other current assets	8	1,595.30	1,437.68
		2,155.78	3,696.64
Total Assets		**2,566.61**	**5,568.37**
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	1,000.00	1,000.00
(b) Other equity		(8,081.72)	(9,971.33)
		(7,081.72)	(8,971.33)
Liabilities			
1. Non-Current Liabilities			
(a) Deferred tax liabilities (net)	19	-	-
(b) Other non-current liabilities	10	46.04	1,486.41
Total non-current liabilities		46.04	1,486.41
2. Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	11	7,859.62	11,898.43
(ii) Other financial liabilities	12	-	-
(b) Other current liabilities	13	1,742.67	1,154.83
Total current liabilities		9,602.29	13,053.26
Total liabilities		9,648.33	14,539.67
Total Equity and Liabilities		**2,566.61**	**5,568.37**

The accompanying notes are an integrate part of the financial statements

For and on behalf of the Board of Directors of
FORTUNE (BARODA) NETWORK PVT. LTD.

Director	**Director**
ANIL BRIJLAL MAKWANE	**MUKESH AGGARWAL**
DIN No:07028455	**DIN No:06594694**
Place :Vadodara	Place :Vadodara
Dated: 13.04.2021	Dated: 13.04.2021

FORTUNE (BARODA) NETWORK PVT. LTD.
CIN - U72200GJ2003PTC043302
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2021

	Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
			(Rs.' 000)	(Rs.' 000)
1.	**REVENUE**			
	a. Revenue from operations	14	7,701.65	18,609.13
	b. Other income	15	0.09	-
2.	**TOTAL REVENUE**		**7,701.74**	**18,609.13**
3.	**EXPENSES**			
	a. Employee benefit expense	16	1,014.74	1,756.08
	b. Finance costs	17	-	-
	c. Depreciation	3	68.10	80.38
	d. Other expenses	18	4,731.61	17,799.52
4.	**TOTAL EXPENSES**		**5,814.45**	**19,635.98**
5.	**PROFIT/(LOSS) BEFORE EXCPETIONAL ITEM AND TAX EXPENSE (2-4)**		1,887.29	(1,026.85)
6.	**Exceptional items**		-	-
7.	**PROFIT BEFORE TAX (5-6)**		**1,887.29**	**(1,026.85)**
8.	**TAX EXPENSE**			
	a. Current tax expense		-	-
	b. Short provision for tax relating to prior years		-	1.57
	c. Deferred tax	19	(2.32)	(114.43)
	NET TAX EXPENSE		**(2.32)**	**(112.86)**
9.	**PROFIT AFTER TAX (7-8)**		1,889.61	(913.99)
10.	**Other Compreshensive Income**			
	(i) Items that will not be reclassified to Profit			
	-Remeasurements of the defined benefit obligation		-	-
	- Deferred Tax on Remeasurements of the defined benefit obligation		-	-
	Total other compreshensive income		-	-
11.			**1,889.61**	**(913.99)**
	Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (9+10)			
12.	**Earnings per equity share**			
	(Face value of Rs. 10 per share)			
	Basic (Rs. per share)	22	18.90	(9.14)
	Diluted (Rs. per share)	22	18.90	(9.14)

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DIN No:07028455
Place :Vadodara
Dated: 13.04.2021

Director
MUKESH AGGARWAL
DIN No:06594694
Place :Vadodara
Dated: 13.04.2021

FORTUNE (BARODA) NETWORK PVT. LTD.
CIN - U72200GJ2003PTC043302
STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH, 2021

A. Equity Share Capital

(Rs.' 000)

Particulars	**As at 31.03.2021**		**As at 31.03.2020**	
	No of shares	**Amount**	**No of shares**	**Amount**
Numbers of shares at the Beginning	1,00,000	1,000.00	1,00,000	1,000.00
Add: Shares issued during the year	-	-	-	
Numbers of shares at the End	1,00,000	1,000.00	1,00,000	1,000.00

B. Other equity

For the year ended March 31, 2021 **(Rs.' 000)**

	Reserves and Surplus		**Other comprehensive income**	**Total**
Particulars	**Capital Redemption Reserve**	**Retained earnings**	**Actuarial Gain / (Loss)**	
Balance at the beginning of the reporting year	-	(9,971.33)	-	(9,971.33)
Total Comprehensive income for the year	-	1,889.61	-	1,889.61
Balance at the end of the reporting year	**-**	**(8,081.72)**	**-**	**(8,081.72)**

For the year ended March 31, 2020

	Reserves and Surplus		**Other comprehensive income**	**Total**
Particulars	**Capital Redemption Reserve**	**Retained earnings**	**Actuarial Gain / (Loss)**	
Balance at the beginning of the reporting year	-	(9,057.34)	-	(9,057.34)
Total Comprehensive income for the year	-	(913.99)	-	(913.99)
Balance at the end of the reporting year	**-**	**(9,971.33)**	**-**	**(9,971.33)**

The accompanying notes are an integrate part of the financial statements

For and on behalf of the Board of Directors of
FORTUNE (BARODA) NETWORK PVT. LTD.

Director
ANIL BRIJLAL MAKWANE
DIN No:07028455
Place :Vadodara
Dated: 13.04.2021

Director
MUKESH AGGARWAL
DIN No:06594694
Place :Vadodara
Dated: 13.04.2021

FORTUNE (BARODA) NETWORK PVT. LTD.
CIN - U72200GJ2003PTC043302
STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2021

		For the Year Ended March 31, 2021 (Rs.' 000)	For the Year Ended March 31, 2020 (Rs.' 000)
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax	1,887.29	(1,026.85)
	Adjustments for:		
	Depreciation	68.10	80.38
	Liabilities/ excess provisions written back (net)	(1,057.59)	-
	Provision for doubtful debts	1,079.69	3,443.07
	Operating profit before working capital changes	**1,977.49**	**2,496.60**
	Changes in working capital:		
	Adjustments for (increase)/ decrease in operating assets:		
	Trade Receivables	(1,080.03)	(2,901.25)
	Other current financial assets	26.82	92.31
	Other current non- financial assets	(157.62)	379.90
	Other non current financial assets	(2.33)	(94.05)
	Other non current non-financial assets	1,395.13	1,525.06
	Adjustments for increase / (decrease) in operating liabilities:		
	Current financial Liabilities	(2,981.22)	(10,900.50)
	Current non-financial Liabilities	587.84	8,335.98
	Other non current financial Liabilities	(1,440.37)	872.01
	Other non current non-financial Liabilities	-	-
	Short term provisions	-	-
	Cash generated from operations	**(1,674.29)**	**(193.92)**
	Taxes paid / (refunds)	2.28	-
	Net Cash generated from Operating Activities	(1,672.01)	(193.92)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Net Cash used in Investing Activities	-	-
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Finance costs	-	-
	Net Cash used in Financing Activities	-	-
	Net Increase/(Decrease) in Cash and Cash Equivalents	(1,672.01)	(193.92)
	Cash and Cash Equivalents at the beginning of the year	2,121.52	2,315.44
	Cash and Cash Equivalents at the end of the year	449.51	2,121.52
	Cash and Cash Equivalents at the end of the year comprise of:		
	Cash on Hand	-	-
	Balances with Banks in Current Accounts	449.51	2,121.52
		449.51	2,121.52

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)

For and on behalf of the Board of Directors of
FORTUNE (BARODA) NETWORK PVT. LTD.

Director	**Director**
ANIL BRIJLAL MAKWANE	**MUKESH AGGARWAL**
DIN No:07028455	**DIN No:06594694**
Place :Vadodara	Place :Vadodara
Dated: 13.04.2021	Dated: 13.04.2021

1 Background

Fortune (Baroda) Network Private Limited is a Company incorporated in India on December 08, 2003. The Company is primarily engaged in providing cable television distribution and other related services. It is a subsidiary of DEN Networks Limited.

2 Significant accounting policies

2.01 Basis of preparation

(i) Statement of Compliance and basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015.

(ii) Basis of preparation and measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the assets or liability.

Company’s Financial Statements are presented in Indian Rupees (Rs.), which is also its functional currency and all values are rounded to the nearest thousands (Rs. '000), except when otherwise indicated.

2.02 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.

2.03 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.

The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "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) and as per amendment notified in March 2017 by the Ministry of Corporate Affairs issued in the Companies (Indian Accounting Standards) (Amendments) Rules, 2017

Amendment to Ind AS 7:

Effective from April 1, 2017, the company adopted the amendment to Ind AS 7, which requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any impact on the financial statements.

2.04 Property, plant and equipment

All the items of property, plant and equipment are stated at historical cost net off cenvat credit 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.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful life is taken in accordance with 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. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

a. Headend and distribution equipment	6 -15 years
b. Set top boxes (STBs)	8 years
c. Office and other equipment	3 years
d. Furniture and fixtures	3 to 10 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	5 years as estimated by an approved valuer

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.05 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

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

a. Software	5 years

2.06 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company 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 Company 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 Company 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.

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.

2.07 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Amount disclosed as revenue are net of return, trade allowances, rebates, service taxes, GST and amount collected on behalf of third parties.

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been mapped for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transection and specifics of each arrangements.

i. Rendering of services

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 on percentage 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. Activation fees received in advance is deferred over the period of life of the STB and has been considered as deferred revenue.

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.

Adoption of Ind AS 115

Effective from April 1, 2018, the company adopted the Ind AS 115 and the core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer.
Step 2: Identify the performance obligation in contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. The adoption of the IND AS did not have any impact on the financial statements.

2.08 Other income

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company 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, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.09 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.

2.10 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

• the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note below.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

• the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria as mentioned above are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

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 Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company 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 Company 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.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

• For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

• Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

• For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.11 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

• it has been incurred principally for the purpose of repurchasing it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

• it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

• the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or

• it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

• the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

• the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

• the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

• the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.12 Employee benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
b. net interest expense or income; and
c. remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the financial statements as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company general policy on borrowing costs (see note 2.14 below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.15 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 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.

2.16 Taxation

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

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’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.17 Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.18 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, if any is expensed in the Statement of Profit and Loss.

2.19 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.20 GST input credit

GST 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.

2.21 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.

2.22 Current and non Current classification :

i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset as current when it is:
1 Expected to be realised or intended to be sold or consumed in normal operating cycle
2 Held primarily for the purpose of trading
3 Expected to be realised within twelve months after the reporting period, or
4 Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non - current.

ii A liability is current when:
1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
All other liabilities are treated as non - current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

2.23 Recent accounting pronouncements

Standards issued but not yet effective

There is no recent accounting pronouncement which has been issued but not yet effective

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

	As at 31.03.2021	As at 31.03.2020
Carrying amounts of :		
a) Plant and equipment		
(i) Headend and distribution equipment	231.03	295.17
(ii) Computers	0.67	1.66
(iii) Office and other equipment	3.75	6.72
	235.45	**303.55**
b) Capital work-in-progress	-	-
	235.45	**303.55**

	Plant and equipment				
	Headend and distribution equipment	Computers	Office and other equipment	Furniture and fixtures	Total
Gross Block					
Balance at 1 April, 2019	**503.86**	**55.27**	**17.53**	**-**	**576.66**
Additions	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
Balance at 31 March, 2020	**503.86**	**55.27**	**17.53**	**-**	**576.66**
Additions	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
Balance at 31 March, 2021	**503.86**	**55.27**	**17.53**	**-**	**576.66**
Accumulated depreciation					
Balance at 1 April, 2019	**(140.26)**	**(45.27)**	**(7.20)**		**(192.73)**
Depreciation expenses	(68.43)	(8.34)	(3.61)	-	(80.38)
Balance at 31 March, 2020	**(208.69)**	**(53.61)**	**(10.81)**	**-**	**(273.11)**
Depreciation expenses	(64.14)	(0.99)	(2.97)	-	(68.10)
Eliminated on disposals of assets	-	-	-	**-**	**-**
Balance at 31 March, 2021	**(272.83)**	**(54.60)**	**(13.78)**	**-**	**(341.21)**
Provision for Impairment					
Balance at 1 April, 2019	**-**	**-**	**-**	**-**	**-**
Impairment expenses	-	-	-	-	**-**
Balance at 31 March, 2020	**-**	**-**	**-**	**-**	**-**
Impairment expenses	-	-	-	-	**-**
Balance at 31 March, 2021	**-**	**-**	**-**	**-**	**-**
Carrying amount					
Balance at 1 April, 2019	363.60	10.00	10.33	-	383.93
Additions	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
Depreciation expenses	(68.43)	(8.34)	(3.61)	-	(80.38)
Balance at 31 March, 2020	**295.17**	**1.66**	**6.72**	**-**	**303.55**
Additions	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
Depreciation expense	(64.14)	(0.99)	(2.97)	-	(68.10)
Balance at 31 March, 2021	**231.03**	**0.67**	**3.75**	**-**	**235.45**

Particulars	As at 31.03.2021 (Rs.' 000)	As at 31.03.2020 (Rs.' 000)
4. Other non-current assets		
a. Prepaid expenses	79.01	1,474.14
	79.01	**1,474.14**
5. Trade receivables (Unsecured)		
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	94.10	93.76
(c) Trade Receivables which have significant increase in Credit Risk		
(d) Trade Receivables - credit impaired	6,534.25	7,569.74
(e) Trade Receivables - Provision for doubtful debts/ expected credit	(6,534.25)	(7,569.74)
	94.10	**93.76**
6. Cash and cash equivalents		
a. Cash on hand	-	-
b. Balance with banks		
i. in current accounts	449.51	2,121.52
	449.51	**2,121.52**
7. Other financial assets		
i. Considered good		
a. Advances to employees	-	32.00
b. Unbilled Revenue	16.87	11.69
	16.87	**43.69**
8. Other current assets		
a. Prepaid expenses	1,513.52	1,242.05
b. Balance with government authorities		
i. GST credit receivable	-	-
c. Other advances		
i. Other advances	81.78	195.63
	1,595.30	**1,437.68**

	Particulars	As at 31.03.2021 (Rs.' 000)	As at 31.03.2020 (Rs.' 000)
9.	**EQUITY SHARE CAPITAL**		
A.	**AUTHORISED**		
	2,00,000 Equity Shares of Rs. 10/- each	2,000.00	2,000.00
B.	**ISSUED, SUBSCRIBED AND FULLY PAID UP**		
	1,00,000 Equity Shares of Rs. 10/- each,	1,000.00	1,000.00
		1,000.00	**1,000.00**

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

Particulars	As at 31.03.2021		As at 31.03.2020	
	No of shares	Amount	No of shares	Amount
Numbers of shares at the Beginning	1,00,000	1,000.00	1,00,000	1,000.00
Add: Shares issued during the year	-	-	-	
Numbers of shares at the End	1,00,000	1,000.00	1,00,000	1,000.00

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

Particulars	As at 31.03.2021		As at 31.03.2020	
	No of shares	Amount	No of shares	Amount
Den Networks Limited (Holding Company)*	51,000	510.00	51,000	510.00

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

Name of Shareholder	As at 31.03.2021		As at 31.03.2020	
	No of shares	% Holding	No of shares	% Holding
Den Networks Limited (Holding Company)	51,000	51.00%	51,000	51.00%
Vinus Patel	6,125	6.13%	6,125	6.13%
Kirit s patel	10,290	10.29%	10,290	10.29%
Jayesh K shah	6,125	6.13%	6,125	6.13%
Dushyab purohit	6,125	6.13%	6,125	6.13%
Rohan Shah	5,880	5.88%	5,880	5.88%
Birjubhai shah	5,880	5.88%	5,880	5.88%
Rakesh Patel	6,125	6.13%	6,125	6.13%
Total	**97,550**		**97,550**	

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.

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

		Particulars	As at 31.03.2021 (Rs.' 000)	As at 31.03.2020 (Rs.' 000)
10.	**Other non-current liabilities**			
	a.	Deferred revenue	46.04	1,486.41
			46.04	**1,486.41**
11.	**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	7,859.62	11,898.43
		-Payable for salaries and wages		
			7,859.62	**11,898.43**
	11a	**Trade payable breakup**		
	Of the above, trade payable to:			
	- Related Parties		1,050.11	2,916.81
	- Others		6,809.51	8,981.62
	Total		**7,859.62**	**11,898.43**
12.	**Other financial liabilities**			
	a.	Others	-	-
			-	**-**
13.	**Other current liabilities**			
	a.	Deferred revenue	1,391.76	1,048.85
	b.	Statutory remittances	197.06	75.69
	c.	Other payables		
		i. Advances from customers	153.85	30.29
			1,742.67	**1,154.83**

	Particulars		For the year ended 31.03.2021 (Rs.' 000)	For the year ended 31.03.2020 (Rs.' 000)
14.	**REVENUE FROM OPERATIONS**			
	a. Sale of services (See note below)		7,701.65	18,609.13
	Less: Subscription share charges*			
			7,701.65	**18,609.13**
	Note:			
	Sale of services comprises:			
	a. Placement income		-	
	b. Subscription income		5,480.13	16,436.87
	c. Activation income		0.30	185.14
	d. Feeder charges income		237.73	182.75
	e. Leaseline Income		-	
	f. Other income		1,983.49	1,804.37
			7,701.65	**18,609.13**
15.	**OTHER INCOME**			
	a. Interest income			
	i. on income tax refund		0.09	-
			0.09	**-**
16.	**EMPLOYEE BENEFIT EXPENSE**			
	a. Salaries and allowances		1,014.74	1,729.65
	b. Staff welfare expenses		-	26.43
			1,014.74	**1,756.08**
17.	**FINANCE COSTS**			
	a. Interest on delayed payment		-	-
			-	**-**
18.	**OTHER EXPENSES**			
	a. Rent and hire charges		265.72	289.87
	b. Repairs and maintenance			
	i. Plant and machinery		-	5.95
	ii. Others		103.28	503.47
	c. Electricity expense		51.88	115.99
	d. Consultancy, professional and legal charges*		431.79	560.84
	e. Brokerage/ commission		-	339.47
	f. Subscription share/ charges		1,802.20	9,657.45
	g. STB Activation Charges		1,928.45	2,605.93
	h. Printing and stationery		2.80	13.86
	i. Travelling and conveyance		26.40	82.36
	j. Telecommunication expenses		14.25	29.14
	k. Freight and labour charges		1.70	6.96
	l. Rates and taxes		24.02	71.30
	m. Provision for doubtful debts		22.10	3,288.05
	n. Bad debts written off	1,057.59		
	Less: Provision for ECL W/Back	(1,057.59)	-	155.02
	o. Miscellaneous expenses		57.02	73.86
			4,731.61	**17,799.52**

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

		For the year ended 31.03.2021	For the year ended 31.03.2020
a.	To statutory auditors		
	: Statutory audit fee	35.00	35.00
	: Other fees	29.00	29.00
		64.00	**64.00**

19. Current Tax and Deferred Tax

(a) Income Tax Expense

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Current Tax:		
Current Income Tax Charge	-	-
Income Tax for earlier years	-	1.57
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(2.32)	(114.43)
Total Tax Expense recognised in profit and loss account	**(2.32)**	**(112.86)**
Deferred tax in respect of reversal of temporary differences considered in exceptional items	-	-
Total Tax Expense including exceptional items	**(2.32)**	**(112.86)**

(c) Movement of Deferred Tax

(i) Movement of Deferred Tax for 31.03.2021 **(Rs.' 000)**

	Year ended 31.03.2021		
Particulars	**As at 01.04.2020**	**Recognised in statement of profit and Loss**	**As at 31.03.2021**
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	(191.74)	-	(191.74)
Other Items	-	-	-
	(191.74)	**-**	**(191.74)**
Tax effect of items constituting deferred tax assets			
Employee Benefits - Gratuity	300.22	-	300.22
Other financial asset	(14.43)	2.32	(12.11)
	285.78	**2.32**	**288.11**
Net Tax Asset (Liabilities)	**94.04**	**2.32**	**96.37**

(ii) Movement of Deferred Tax for 31.03.2020

	Year ended 31.03.2020		
Particulars	**As at 01.04.2019**	**Recognised in statement of profit and Loss**	**As at 31.03.2020**
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	(191.74)	-	(191.74)
	(191.74)	**-**	**(191.74)**
Tax effect of items constituting deferred tax assets			
Employee Benefits - Gratuity	300.22	-	300.22
Financial Assets	(128.86)	114.43	(14.43)
	171.36	**114.43**	**285.78**
Net Tax Asset (Liabilities)	**(20.38)**	**114.43**	**94.04**

Defered tax assets and deferred tax liabilities have been offset wherever the Company has a legally enfroceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and defered tax liabilities relate to income taxes levied by the same taxation authority.

In assessing the realizability of deferred income tax assets, management considers that the ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could de reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

		31.03.2021 (Rs. 000)	31.03.2020 (Rs. 000)
	Profit/(Loss) before tax	1,887.29	(1,026.85)
	Income tax expense calculated	474.99	(258.44)
-	Related to Property, Plant & Equipment	(5.08)	(22.20)
-	Related to Deferred Revenue	(16.92)	40.42
-	Effect of expenses that are not deductible in determining taxable profit	(260.61)	827.54
-	Permanent Differences	-	12.20
-			
-	Carried forward losses utilised	(194.70)	(713.95)
		(2.32)	(114.43)
	Adjustments recognised in the current year in relation to the current tax of prior years	-	1.57
	Total tax expense charged/(credited) in Statement of Profit and Loss	**(2.32)**	**(112.86)**

The tax rate used for the 2020-2021 and 2019-2020 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

(D) Unrecognised deductible temporary differences, unused tax losses and unused tax credits

(Rs. in 000)

	Particulars	As at 31.03.2021	As at 31.03.2020
	Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following (refer note below):		
-	tax losses (revenue in nature)	21.25	794.87
-	unabsorbed depreciation (revenue in nature)	478.06	478.06
-	deductible temporary differences		
i.	Property, plant and equipment and other intangible assets	- 559.26	579.46
iii.	Impairment allowance for doubtful balances	6,534.25	7,569.74
iv.	Deferred revenue	1,317.87	2,502.24
		8,910.69	**11,924.37**

Note:

Detail of temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the Consolidated Balance Sheet:

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred tax assets with no expiry date	478.06	478.06
Deferred tax assets with expiry date*	8,432.63	11,446.31
	8,910.69	**11,924.37**

* These would expire between financial year ended NA.

Unrecognized deductible temporary differences , unused tax losses and unused tax credit

Amount o which DTA not recognised (not DTA value)					
Unabsorbed depriciation	**Property, Plant and equipment**	**tax losses (revenue in nature)**	**Allowance on trade receivables,**	**Deferred revenue**	**Total**
478.06	559.26	21.25		1,317.87	**2,376.44**

20 Related Party Disclosures

I. List of related parties

a Holding Company

1 DEN Networks Ltd

b Fellow Subsidiary

1 Futuristic Media and Entertainment Limited

c Key Managerial Personnel

1	Kirti Shamji Patel	Director
2	Vinuskumar Chhaganbhai Patel	Director
3	Mukesh Aggarwal	Director
4	Anil Brijlal Makwane	Additional Director
5	Rajendra Ramchandra Kale	Director

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

(Figures in bracket relates to previous year)
(Rs.' 000)

	Particulars	Holding Company	Persons having substansial interest in the company	Fellow Subsidiaries	Grand total
A.	**Transactions during the year**				
i.	**Other expenses**				
	For the Year ended 31 March 2021	1,804.94	-	-	1,804.94
	For the Year ended 31 March 2020	(9,843.74)	-	-	(9,843.74)
	Total	**1,804.94**	**-**	**-**	**1,804.94**
B.	**Outstanding balances at year end**				
i.	**Trade payables**				
	As on 31 March 2021	1,059.42	-	-	1,059.42
	As on 31 March 2020	(2,883.78)	-	-	(2,883.78)
	Total	**1,059.42**	**-**	**-**	**1,059.42**
ii.	**Prepaid expenses**				
	As on 31 March 2021	231.61	-	-	231.61
	As on 31 March 2020	(228.88)	-	-	(228.88)
iii..	**Trade receivables**				
	As on 31 March 2021		-	13.41	13.41
	As on 31 March 2020		-	(13.41)	(13.41)
	Total	**231.61**	**-**	**13.41**	**245.02**

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

	Particulars	Year ended 31.03.2021 (Rs.' 000)	Year ended 31.03.2020 (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.

22. Earnings per equity share (EPS)*

	Particulars	Year ended 31.03.2021	Year ended 31.03.2020
a.	Net Profit attributable to equity shareholders	1,889.61	(913.99)
b.	Weighted average number of equity shares outstanding used in computation of basic EPS	1,00,000	1,00,000
c.	Basic Profit per equity share of Rs. 10 each (in Rs.)	18.90	(9.14)
d.	Dilutive effect of preference shares outstanding		
d.	Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS	1,00,000	1,00,000
e.	Diluted Earnings per equity share of Rs. 10 each (in Rs.)	18.90	(9.14)

* There are no potential equity shares as at 31.03.2021 (nil at 31.03.2020)

23. 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 31.03.2021 **(Rs.' 000)**

Financial assets	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Cash and cash equivalents	449.51	-	-	449.51
Trade receivables	94.10	-	-	94.10
Other current financial assets	16.87	-	-	16.87
	560.48	**-**	**-**	**560.48**

Financial liabilities	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Trade payables	7,859.62	-	-	7,859.62
Other current financial liabilities	-	-	-	-
	7,859.62	**-**	**-**	**7,859.62**

As at 31.03.2020

Financial assets	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Cash and cash equivalents	2,121.52	-	-	2,121.52
Trade and other receivables	93.76	-	-	93.76
Other current financial assets	43.69	-	-	43.69
	2,259.27	**-**	**-**	**2,259.27**

Financial liabilities	**Amortised Cost**	**FVTOCI**	**FVTPL**	**Total carrying value**
Trade payables	11,898.43	-	-	11,898.43
Other current financial liabilities	-	-	-	-
	11,898.43	**-**	**-**	**11,898.43**

(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 31.03.2021	**<1 year**	**> 1 Year**	**Total**
Current			
- Trade payables	1,373.92	6,485.70	7,859.62
- Other current financial liabilities	-	-	-
Total	**1,373.92**	**6,485.70**	**7,859.62**

As at 31.03.2020	**<1 year**	**> 1 Year**	**Total**
Current			
- Trade payables	8,867.73	3,030.70	11,898.43
- Other current financial liabilities	-	-	-
Total	**8,867.73**	**3,030.70**	**11,898.43**

24 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management 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 manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity and internal accruals.

25 Capital commitments and contingent liabilities	As on 31.03.2021 (Rs. in '000)	As on 31.03.2020 (Rs. in '000)
a. Capital commitments		
b. Contingent liabilities		
i. Disputed Income Tax Liability	2543.25	-

26 POST REPORTING EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

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

28 The board of directors of the company is identified as chief operating decision maker (CODM) monitors the operating result of the company. CODM has identified only one reportable segment as the company is providing cable television network and allied services only. The operations of the Company are located in India.

There is no customer from whom company is having revenue of more than 10% of total revenue.

29 Pursuant to TRAI notification, Digital Addressable System (DAS) has been implemented in the territory of the company under Phase II. The company has opted not to invest in digitizing its subscribers and will continue the business for primary point network in capacity of LCO. Hence post analog sunset date; the subscription revenue will have revenue only from primary point network in capacity of LCO.

Pursuant to TRAI notification, Digital Addressable System (DAS) has been implemented in the territory of the company under Phase II. The company is billing to its direct subscribers which should be done by the MSO as per the TRAI notification. MSO is in the process of implementing billing directly to the subscribers in the territory.

Pursuant to TRAI notification, Digital addressable system (DAS) has been implemented in the territory of the Company in which Company operates in the Phase - 2 w.e.f 1st July, 2013. The company has opted not to invest in digitizing its subscribers. Hence, the company could not provide services to its subscribers since 1st July 2013. Due to material uncertainties related to events or conditions as mentioned, that may cast significant doubt upon the company's ability to continue as a going concern. The company is reviewing the situation and expect to resume its operations soon, therefore, management is of the opinion that financial statement should be prepared on going concern assumption.

30. The outbreak of Coronavirus (COVID -19) has impacted businesses globally. The company being service provider of one of the "Essential Services – Television Broadcasting & Distribution" was able to operate under normal course of business during the period of Nationwide Lockdown with minimal impact on operations. In assessing the recoverability of Company's assets such as Investments, Loans, Trade receivables, based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets as of 31st march'21. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

For and on behalf of the Board of Directors of
FORTUNE (BARODA) NETWORK PVT. LTD.

Director	**Director**
ANIL BRIJLAL MAKWANE	**MUKESH AGGARWAL**
DIN No:07028455	DIN No:06594694
Place :Vadodara	Place :Vadodara
Dated: 13.04.2021	Dated: 13.04.2021