Fortune (Baroda) Network Private Limited

Financial Statements

2018-19

Balance Sheet as at 31 March, 2019

	Particulars	Note No.	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
A.	**ASSETS**			
1.	**Non-current assets**			
	Fixed Assets			
	(a) Property, Plant and Equipment	3	383.93	479.00
	(b) Capital work in progress		-	-
	i) Others financial assets	4	105.02	105.02
	(c) Deferred tax assets	23	-	107.78
	(d) Other non-current assets	6	3,000.78	3,265.65
			3,489.73	3,957.45
2.	**Current assets**			
	(a) Financial Assets			
	i) Trade receivables	7	635.58	555.00
	ii) Loan	5	136.00	158.90
	iii) Cash and cash equivalents	8	967.74	488.18
	iv) Other financial assets	9	-	-
	(b) Other current assets	10	1,710.99	1,572.57
			3,450.31	2,774.65
	TOTAL Assets		**6,940.04**	**6,732.10**
B.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share capital	11	1,000.00	1,000.00
	(b) Other Equity		(9,057.32)	(8,614.39)
			(8,057.32)	(7,614.39)
	Liabilities			
1.	**Non-current liabilities**			
	(a) Financial Liabilities			
	i) Borrowing	12	1,524.29	1,524.29
	ii) Other financial liabilities			
	(b) Deferred tax liabilities (net)	23	20.39	-
	(c) Other non-current liabilities	14	2,392.84	3,235.33
	Total non-current liabilities		3,937.52	4,759.62
4.	**Current liabilities**			
	(a) Financial Liabilities			
	i) Trade payables	15	**2,668.41**	898.21
	– total outstanding dues to micro enterprises and small enterprises		-	-
	– total outstanding dues to creditors other than micro enterprises and small enterprises			
	(b) Other current liabilities	16	**7,966.53**	8,461.35
	(c) Provision	13	**424.90**	75.82
	(d) Current tax liabilities (Net)	17	-	151.50
	Total current liabilities		11,059.84	9,586.88
	Total Liabilities		**14,997.36**	**14,346.49**
	Total equity and liabilities		**6,940.04**	**6,732.10**

See accompanying notes forming part of the financial statements

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

KIRTI SHAMJI PATEL
Director
DIN No.: 0376362

Date: 09-May-2019

RAJENDRA RAMCHANDRA KALE
Director
DIN No.: 07288226

Date: 09-May-2019

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

	Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
			(Rs. '000)	**(Rs. '000)**
1.	**REVENUE**			
	(a) Revenue from operations	18	19,833.75	20,357.18
	(b) Other income	19	313.15	716.19
2.	**TOTAL INCOME**		20,146.90	21,073.37
3.	**EXPENSES**			
	(a) Content cost		-	-
	(b) Placement Fees		-	-
	(c) Employee benefit expense	20	1,574.85	1,418.03
	(d) Finance costs	21	2.05	9.27
	(e) Depreciation and amortisation expense	3	95.07	97.65
	(f) Other expenses	22	18,764.36	23,194.42
4.	**TOTAL EXPENSES**		20,436.33	24,719.37
5.	**PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEM AND TAX EXPENSE (2 – -4)**		(289.44)	(3,645.99)
6.	Exceptional items		-	-
7.	**PROFIT/(LOSS) BEFORE TAX (5 – 6)**		(289.44)	(3,645.99)
8.	**TAX EXPENSE**			
	(a) Current tax expense		-	166.40
	(b) Deferred tax	23	153.49	(0.24)
	NET TAX EXPENSE		153.49	166.16
9.	**PROFIT/(LOSS) AFTER TAX (7 – 8)**		(442.93)	(3,812.15)
10.	**Other Comprehensive Income**			
	i) Items that will not be reclassified to Profit/(Loss)			
	– Remeasurements of the defined benefit obligation		-	-
	– Deferred Ta10x on Remeasurements of the defined benefit obligation		-	-
	Total other comprehensive income		-	-
11.	**Total Comprehensive Income for the period (9 + 10)**		**(442.93)**	**(3,812.15)**
12.	**Earnings per equity share**	24		
	(Face value of Rs. 10 per share)			
	Basic (Rs. per share)		(4.43)	(38.12)
	Diluted (Rs. per share)		(4.43)	(38.12)

See accompanying notes forming part of the financial statements

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

KIRTI SHAMJI PATEL	**RAJENDRA RAMCHANDRA KALE**
Director	Director
DIN No.: 0376362	DIN No.: 07288226
Date: 09-May-2019	Date: 09-May-2019

Statement of Changes in Equity for the year ended 31 March, 2019

A. Equity Share Capital

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

Balance as at 01st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019
1,000.00	-	1,000.00

For the Year Ended 31st March, 2018 **(Rs. '000)**

Balance as at 01st April, 2017	Changes in equity share capital during the year	Balance as at 31st March, 2018
1,000.00	-	1,000.00

B. Other Equity

Statement of Change in Equity for the Year ended March 31, 2019 **(Rs. '000)**

Particulars	Reserves and Surplus					Other comprehensive income	Total
	Securities premium (Refer Note 10(f))	General reserve	Equity-settled employee benefits reserve	Capital Redemption Reserve	Retained earnings	Actuarial Gain/(Loss)	
Balance at the beginning of April 1, 2018	-	-	-	1.75	(8,616.13)	-	(8,614.38)
Total comprehensive income for the year	-	-	-	-	(442.93)	-	(442.93)
Redemption of Preference shares-CRR	-	-	-	1.75	-	-	1.75
Balance at the end of March 31, 2019	-	-	-	1.75	(9,059.06)	-	(9,057.31)

Statement of Change in Equity for the Year ended March 31, 2018 **(Rs. '000)**

Particulars	Reserves and Surplus					Other comprehensive income	Total
	Securities premium (Refer Note 10(f))	General reserve	Equity-settled employee benefits reserve	Capital Redemption Reserve	Retained earnings	Actuarial Gain/(Loss)	
Balance at the beginning of April 1, 2017	-	-	-	1.75	(4,803.99)	-	(4,802.24)
Total comprehensive income for the year	-	-	-	-	(3,812.15)	-	(3,812.15)
Redemption of Preference shares-CRR	-	-	-	1.75	-	-	1.75
Balance at the end of March 31, 2018	-	-	-	1.75	(8,616.13)	-	(8,614.38)

See accompanying notes forming part of the financial statements

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

KIRTI SHAMJI PATEL
Director
DIN No.: 0376362

Date: 09-May-2019

RAJENDRA RAMCHANDRA KALE
Director
DIN No.: 07288226

Date: 09-May-2019

Statement of Cash Flow for the year ended 31 March, 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/(Loss) before tax	(289.44)	(3,645.99)
	Adjustments for:		
	Depreciation and amortisation expense	**95.07**	**97.65**
	Finance costs	**2.05**	**9.27**
	Liabilities/ excess provisions written back (net)	**(301.33)**	**(677.51)**
	Provision for doubtful debts	**264.06**	**4,020.93**
	Operating profit before working capital changes	**(229.59)**	**(195.65)**
	Changes in working capital:		
	Adjustments for (increase)/ decrease in operating assets:		
	Trade Receivables	(369.95)	(376.01)
	Other current financial assets	-	-
	Other current non- financial assets	(138.42)	389.87
	Other non current non-financial assets	264.87	797.40
	Adjustments for increase / (decrease) in operating liabilities:		
	Current non-financial Liabilities	(494.82)	(639.01)
	Trade Payable	2,071.53	16,425.45
	Other non current non-financial Liabilities	(842.49)	(824.68)
	Long Term Provisions	-	(677.51)
	Short term provisions	349.08	(149.50)
	Cash generated from operations	633.12	(1,359.72)
	Taxes paid / (received)	(151.50)	(378.67)
	Net Cash from Operating Activities	481.62	(1,738.39)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Capital expenditure on Property , Plant & Equipment	-	(78.58)
	Net Cash used in Investing Activities	-	(78.58)
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Finance costs	(2.05)	(9.27)
	Net Cash from Financing Activities	(2.05)	(9.27)
	Net Increase/(Decrease) in Cash and Cash Equivalents	479.56	(1,826.23)
	Cash and Cash Equivalents at the beginning of the period	488.18	2,314.41
	Cash and Cash Equivalents at the end of the period	967.74	488.18
	Cash and Cash Equivalents at the end of the period comprise of:		
	Cash on Hand	397.81	104.65
	Cheques on hand		
	Balances with Banks in Current Accounts	569.93	383.53
		967.74	488.18

Note: 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)

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

KIRTI SHAMJI PATEL	**RAJENDRA RAMCHANDRA KALE**
Director	Director
DIN No.: 0376362	DIN No.: 07288226
Date: 09-May-2019	Date: 09-May-2019

Notes forming part of the Financial Statements

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 w.e.f December 08, 2003 which is listed on BSE & NSE.

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.

2.02 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.

2.03 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.

2.04 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.

Notes forming part of the Financial Statements

2.05 Property, plant and equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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	5 years
d.	Furniture and fixtures	3 to 10 years
e.	Computers	3 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

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.

2.06 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.

Notes forming part of the Financial Statements

Useful lives of intangible assets

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

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

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.07 Revenue recognition

Revenue is measured at the fare value of consideration received or receivable. Amount disclosed as revenue are net of return, trade allowances, rebates, service taxes 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 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. 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.
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 goods (equipment)

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

c) the amount of revenue can be measured reliably

d) it is probable that the economic benefits associated with the transaction will flow to the Company; and

e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.08 Other income

Dividend income and interest income

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 Company and the amount of income can be measured reliably).

Notes forming part of the Financial Statements

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.

Profit on sale of investments in mutual funds, being the difference between the sales consideration and carrying value of investments.

2.09 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.

Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan. When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Notes forming part of the Financial Statements

2.10 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.

2.11 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.

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred 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

Notes forming part of the Financial Statements

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 be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.12 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.

2.13 Fair value measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or a liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

2.14 Current and non Current classfication :

i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset as currentwhen 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 monthsafter 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 reportingperiod

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

Notes forming part of the Financial Statements

2.15 Recent accounting pronouncements

Standards issued but not yet effective

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.

Although accumulated losses exceed the net worth of the company as on 31.03.2019, the accounts have been prepared on going concern based on the future projections and considering the support from parent company

Amendment to Ind AS 117:

The amendment to Ind AS 117 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 Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Ind As 115 - Revenue from contracts with customers

Ind As 115 was issued in Febuary 2015 and establishes a five step model to account for revenue arising from the contract with customrs. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in the exchange for transferring goods or servics to a customer. The new revenue standard will supersede all current revenue recongnition requirements under Ind As. This standard will come into forse from accounting period commencing on or after 1st April, 2018. The company will adopt the new standard on the required effective date. During th current year, the Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Notes forming part of the Financial Statements

3. PROPERTY, PLANT AND EQUIPMENT **(Rs. '000)**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Carrying amounts of:		
Headend and distribution equipment	363.60	436.05
Building	-	-
Computers	10.00	29.02
Office and other equipment	10.33	13.93
	383.93	**479.00**
Capital work in progress	-	-
	383.93	**479.00**

(Rs. '000)

Particulars	**Plant and equipment**				**Total**
	Headend and distribution equipment	**Building**	**Computers**	**Office and other equipment**	
Deemed cost					
Balance at 1 April, 2017	**425.28**	**-**	**55.27**	**17.53**	**498.08**
Additions	78.58	-	-	-	**78.58**
Disposals	-	-	-	-	**-**
Balance at 31 March, 2018	**503.86**	**-**	**55.27**	**17.53**	**576.66**
Additions	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
Balance at 31 March, 2019	**503.86**	**-**	**55.27**	**17.53**	**576.66**
Accumulated depreciation					
Balance at 1 April, 2017	**-**	**-**	**-**	**-**	**-**
Depreciation expenses	(67.81)	-	(26.25)	(3.60)	**(97.66)**
Elimination on disposals of assets	-	-	-	-	**-**
Balance at 31 March, 2018	**(67.81)**	**-**	**(26.25)**	**(3.60)**	**(97.66)**
Depreciation expenses	(72.45)	-	(19.02)	(3.60)	**(95.07)**
Eliminated on disposals of assets	-	-	-	-	**-**
Balance at 31 March, 2019	**(140.26)**	**-**	**(45.27)**	**(7.20)**	**(192.73)**
Carrying amount					
Balance at 1 April, 2017	425.28	-	55.27	17.53	**498.08**
Additions	78.58	-	-	-	**78.58**
Disposals	-	-	-	-	**-**
Depreciation expenses	(67.81)	-	(26.25)	(3.60)	**(97.66)**
Balance at 31 March, 2018	**436.05**	**-**	**29.02**	**13.93**	**479.00**
Additions	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
Depreciation expense	(72.45)	-	(19.02)	(3.60)	**(95.07)**
Balance at 31 March, 2019	**363.60**	**-**	**10.00**	**10.33**	**383.93**

Notes forming part of the Financial Statements

	Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
4.	**OTHER FINANCIAL ASSETS**		
	Considered good		
	(a) Security deposits	105	105
		105	**105**
5.	**LOANS**		
	Current		
	Loans to employees	136.00	158.90
		136.00	**158.90**
6.	**OTHER NON-CURRENT ASSETS**		
	(a) Prepaid expenses	2,999.20	3,265.65
	(b) Advance Tax	1.57	-
		3,000.77	**3,265.65**
7.	**TRADE RECEIVABLES (Unsecured)**		
	Current		
	Trade receivables		
	(a) Secured, considered good		
	(b) Unsecured, considered good	**635.58**	555.00
	(c) Doubtful	4,281.69	4,020.93
	Allowance for doubtful debts (Expected credit loss allowance)	(4,281.69)	(4,020.93)
		635.58	**555.00**
	Movements in the allowance for doubtful debts		
	Opening balance of provision bad and doubtful debts	4,020.93	1,597.22
	Add: Provision for bad and doubtful debts made during the year	260.76	-
	Less: Excess provision written back during the year	-	(2,423.72)
	Closing balance of provision for bad and doubtful debts	**4,281.69**	**4,020.93**
	** Includes amount due from firm in which director is interested		
8.	**CASH AND CASH EQUIVALENTS***		
	(a) Cash on hand	397.81	104.65
	(b) Balance with scheduled banks		
	in current accounts	569.93	383.53
	Cash and cash equivalent as per balance sheet	**967.74**	**488.18**
9.	**OTHER FINANCIAL ASSETS**		
	i) Considered good		
	(a) Unbilled Revenue	-	-
		-	**-**
10.	**OTHER CURRENT ASSETS**		
	Other non-financial assets		
	(a) Prepaid expenses	1,525.97	1,388.16
	(b) Balance with government authorities		
	i) GST credit receivable	0.61	-
	ii) Service tax credit receivable	184.41	184.41
	(c) Others		
		1,710.99	**1,572.57**

Notes forming part of the Financial Statements

	Particulars	As at 31.01.2019	As at 31.01.2018
		(Rs. '000)	(Rs. '000)
11.	**SHARE CAPITAL**		
	AUTHORISED		
	1,00,000 Equity Shares of Rs. 10/- each	20,000.00	20,000.00
	ISSUED, SUBSCRIBED AND FULLY PAID UP		
	1,00,000 Equity Shares of Rs. 10/- each, fully paid up	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 as at March 31, 2018 & March 31, 2017 is set out below:

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Numbers of shares at the Beginning	100,590	1,005.90	1,00,590.00	1,005.90
Add: Shares issued during the year	-	-	-	
Numbers of shares at the End	100,590	1,005.90	1,00,590	1,005.90

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

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Den Networks Limited (Holding Company)*	50295.00	502.95	50295.00	502.95

* Including 4 Shares held by nominees

(c) Number of Shares held by each shareholder having more than 5% shares:

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Den Networks Limited (Holding Company)	51,000	**51.00%**	51,000	**51.00%**
Venus 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**	**97.57%**	**97,550**	**97.57%**

(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

(f) Nature and Purpose of Reserves:

Securities Premium Account: This account is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium account and company can use this account for buyback of its shares.

Notes forming part of the Financial Statements

	Particulars	As at 31.01.2019	As at 31.01.2018
		(Rs. '000)	(Rs. '000)
12.	**LONG-TERM BORROWINGS**		
	(a) Loans from related parties		
	Unsecured (Repayable on Demand)	1,524	1,524
		1,524	**1,524**
13.	**PROVISIONS**		
	Short-term provisions		
	Provision for employee benefits		
	i) Provision for compensated absences	-	-
	Provision for gratuity {Refer No. 26}	-	11.82
		-	11.82
	Provision - others		
	i) Others provisions for creditors	424.90	64.00
		424.90	**75.82**
14.	**OTHER NON-CURRENT LIABILITIES**		
	Other non-financial liabilities		
	Others Liabilities:		
	(a) Deferred revenue	**2,392.84**	3,235.33
		2,392.84	**3,235.33**
15.	**TRADE PAYABLES**		
	Trade payables - Other than acceptances*		
	(a) total outstanding dues of creditors other than micro enterprises and small enterprises		
	– Payable for goods and services	2,668.41	898.21
		2,668.41	**898.21**

* The Company has not received intimation from suppliers regarding the status under Micro Small and Medium Enterprises Development Act, 2006 and based on the information available with the Company there are no dues to Micro, Small and Medium Enterprises Development Act, 2006.

Notes forming part of the Financial Statements

Particulars	As at 31-03-2019	As at 31-03-2018
	(Rs. '000)	**(Rs. '000)**
The following details relating to micro, small and medium enterprises shall be disclosed in the notes:-		
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	0	0
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	0	0
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	0	0
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0	0
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0	0
Explanation: The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006."		
16. OTHER CURRENT LIABILITIES		
Other non financial liabilities		
(a) Deferred revenue	**1,356.02**	1,309.53
(b) Statutory Liabilities	**64.15**	445.82
(c) Other payables		
i) Advances from customers	-	-
ii) Others	**6,546.35**	6,705.99
	7,966.52	**8,461.34**
17. CURRENT TAX LIABILITIES		
Provision for tax	-	151.50
	-	**151.50**

Notes forming part of the Financial Statements

	Particulars	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
18.	**REVENUE FROM OPERATIONS**		
	(a) Operating revenue	19,833.75	20,357.18
		19,833.75	**20,357.18**
19.	**OTHER INCOME**		
	(a) Liabilities/excess provisions written back	301.33	677.51
	(b) Other operating revenue		
	i) Miscellaneous income	11.82	38.68
		313.15	**716.19**
20.	**EMPLOYEE BENEFIT EXPENSE**		
	(a) Salaries and allowances*	1,549.01	1,483.62
	(b) Staff welfare expenses	25.84	(65.59)
		1,574.85	**1,418.03**
	*** Salary for the previous year have been effected on account of actuarial gain/(loss) taken on OCI**	**-**	
21.	**FINANCE COSTS**		
	(a) Other borrowing costs	2.05	9.27
		2.05	**9.27**
22.	**OTHER EXPENSES**		
	Rent and hire charges	**263.52**	221.42
	Repairs and maintenance		
	i. Plant and machinery	**3,455.37**	4,272.10
	ii. Others	**339.14**	157.40
	Power and fuel	**119.45**	117.29
	Consultancy, professional and legal charges*	**3,930.88**	4,095.83
	Brokerage/ commission	**331.61**	298.17
	Subscription share/ charges	**8,191.68**	7,492.76
	Printing and stationery	**14.38**	5.86
	Travelling and conveyance	**529.80**	552.24
	Advertisement, publicity and business promotion	**-**	4.13
	Communication expenses	**35.34**	60.22
	Insurance	**16.65**	-
	Rates and taxes	**22.81**	21.00
	STB Activation charges	**1,188.66**	1,535.10
	Provision for doubtful trade receivables and advances	**260.76**	4,020.93
	Bad trade receivables and advances written off	**3.30**	-
	Miscellaneous expenses	46.14	339.97
	Prior period expense (net)	**14.89**	-
		18,764.36	**339.97**
	* Consultancy, professional and legal charges includes Auditor's remuneration as under:		
	(a) To statutory auditors		
	For audit	117.00	64.00
		117.00	**64.00**

Notes forming part of the Financial Statements

23. CURRENT TAX AND DEFERRED TAX

(a) Income Tax Expense

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
	(Rs. '000)	**(Rs. '000)**
Current Tax:		
Current Income Tax Charge	-	166
Deferred Tax		
In respect of current year origination and reversal of temporary differences	128.18	(0.24)
	128.18	**166.16**
Total Tax Expense recognised in profit and loss account	**128.18**	**332.56**

(b) Movement of Deferred Tax

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

Particulars	Year ended 31.03.2019			
	Opening Balance	**Recognised in Profit and Loss**	**Recognised in OCI**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(191.74)	-		(191.74)
Derivatives				
	(191.74)	**-**	**-**	**(191.74)**
Tax effect of items constituting deferred tax assets				
Employee Benefits	300.22	-	-	300.22
Other financial asset	(0.69)	(128.18)		(128.86)
	299.53	**(128.18)**	**-**	**171.35**
Net Tax Asset (Liabilities)	**107.78**	**(128.18)**	**-**	**(20.39)**

ii) Movement of Deferred Tax for 31.03.2018 **(Rs. '000)**

Particulars	Year ended 31.03.2018			
	Opening Balance	**Recognised in Profit and Loss**	**Recognised in OCI**	**Closing Balance**
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	300.22	-	-	300.22
Financial Assets	(0.92)	0.24		(0.69)
Other Items	-	-		-
	299.30	**0.24**	**-**	**299.53**
Net Tax Asset (Liabilities)	**107.56**	**0.24**	**-**	**107.78**

Notes forming part of the Financial Statements

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount	Tax Rate	Amount	Tax Rate
Profit Before tax from Continuing Operations	**(289.44)**	**30.90%**	**(3,645.99)**	**30.90%**
Income Tax using the Company's domestic Tax rate #	(89.44)		(1,126.61)	
Tax Effect of:				
– Current Year Losses for which no deferred Tax Asset is recognised	89.44			
Changes in recognised deductible temporary differences	-		1,126.61	
Income Tax recognised In P&L from Continuing Operations (Effective Tax Rate)	**-**	**0.00%**	**-**	**0.00%**

24. EARNINGS PER EQUITY SHARE (EPS)*

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
(a) Profit/(Loss) for the year attributable to Owners of the Company	(442.93)	(3,812.15)
(b) Weighted average number of equity shares outstanding used in computation of basic EPS	100,590	100,590
(c) Basic earning per share from continuing operations (In Rs.)	(4.40)	(37.90)
(d) Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS	100,590	100,590
(e) Diluted earning per share from continuing operations (In Rs.)	(4.40)	(37.90)

*** There are no potential equity shares as at 31 March, 2019**
**** There is no discontinued operation of the company**

25. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Particulars	As at 31.03.2019	As at 31.03.2018
	(Rs. '000)	**(Rs. '000)**
(a) Capital commitments		
Estimated amount of contracts remaining to be executed on tangible capital assets (net of advances)	Nil	Nil
(b) Contingent liabilities		
i) Claims against the Company not acknowledged as debts*	Nil	Nil
ii) Guarantees	Nil	Nil
iii) Other money for which the Company is contingently liable	Nil	Nil

(c) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Notes forming part of the Financial Statements

26. RELATED PARTY DISCLOSURES

I. List of related parties

(a) Holding Company

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

(b) Companies under the common control of the holding company

1. Media Pro Entertainment Pvt. Ltd.
2. Star Den Media Services Pvt. Ltd.

(c) Fellow Subsidiary

1. Den Futuristic Cable Networks Pvt. Ltd.
   (formerly known as Den Digital Entertainment Gujarat Pvt. Ltd. & Aster Entertainment Pvt. Ltd.)
2. Shree Siddhivinayak cable Network

(d) 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

(e) Associate Companies - Enterprises in which key management personnel have substantial interest/significant influence

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

(Figures in bracket relates to previous year)

(Rs. '000)

Particulars	Holding Company	Associates entities	Persons having substantial interest in the company	Fellow Subsidiaries	Companies Under Common Control	Grand total
A. Transactions during the year						
i) Other income						
For the Year ended 31 March 2019	-	-	-	-	-	
For the Year ended 31 March 2018	-	-	-	-		
Total	-	-	-	-	-	
ii) Other expenses						
For the Year ended 31 March 2019	**11,732.18**	-	1,142.24		-	**12,874.42**
For the Year ended 31 March 2018	**11,783.52**		1,662.08		-	**13,445.60**
Total	**23,515.69**	-	**2,804.32**	-	-	**26,320.01**
B. Outstanding balances at year end						
i) Trade payables						
As on 31 March 2019	**3,573.77**	**374.94**	42.04		-	**3,990.75**
As on 31 March 2018	**380.89**	**374.94**	42.04	-	-	**797.87**
ii) Advance to debtors						
As on 31 March 2019	-	-	-	-	-	
As on 31 March 2018	-	-	-	-	-	
Total	**3,573.77**	**374.94**	**42.04**	-	-	**3,990.75**
	380.89	**374.94**	**42.04**	-	-	**797.87**
iii) Prepaid expenses						
As on 31 March 2019	**175.98**	-	-		-	**175.98**
As on 31 March 2018	**106.28**	-	-		-	**106.28**
iv) Trade receivables						
As on 31 March 2019	-	-	-	(13.41)	-	**(13.41)**
As on 31 March 2018	-	-	-	(13.41)	-	-
Total	**175.98**	-	-	**(13.41)**	-	**162.57**
	106.28	-	-	**(13.41)**	-	**106.28**

Notes forming part of the Financial Statements

27. DISCLOSURE PURSUANT TO IND AS 19 ON 'EMPLOYEE BENEFITS'

Employee benefit plans

i) Defined benefit 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. 1,000,000. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are NILL.

28. There is no unhedged foreign currency exposure outstanding at the year end.

29. 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. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument.

Financial assets and liabilities:

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

As at 31 March, 2019 **(Rs. '000)**

Financial assets*	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total carrying value**
Cash and cash equivalents	-	-	967.74	967.74
Trade receivables	-	-	635.58	635.58
Loan	-	-	-	-
	-	-	1,603.33	1,603.33

Financial liabilities*	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total carrying value**
Trade payables	-	-	2,668.41	2,668.41
Other current financial liabilities	-	-	-	-
	-	-	4,192.70	4,192.70

As at 31 March, 2018 **(Rs. '000)**

Financial assets*	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total carrying value**
Cash and cash equivalents	-	-	488.18	488.18
Trade and other receivables	-	-	555.00	555.00
Loans	-	-	-	-
Other current financial asset	-	-	-	-
	-	-	1,148.20	1,148.20

Financial liabilities*	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total carrying value**
Trade payables	-	-	898.21	898.21
Other current financial liabilities	-	-	-	-
	-	-	2,422.50	2,422.50

(b) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and advances from Customers. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed

Notes forming part of the Financial Statements

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.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, Letter of Credit and working capital limits.

As at March 31, 2019

	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Non - Current					
Borrowings	-	-	-	-	-
Current					
– Borrowings	-	-	-	-	-
– Trade Payable	40,512	302	-	-	40,813
– Other Financial Liability	-	-	-	-	-
Total	**40,512**	**302**	**-**	**-**	**40,813**

As at March 31, 2018

	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Non - Current					
– Borrowings	-				-
Current					
Borrowings	-				-
Trade Payable	-	0	40,512		40,512
Other Financial Liability	-				-
Total	**-**	**0**	**40,512**	**-**	**40,512**

Notes forming part of the Financial Statements

30 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.

31 POST REPORTING EVENTS

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

32 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors on 09/05/2019. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

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

34 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.

35 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.