Radiant Satellite (India) Private Limited
Financial Statements 2018-19

INDEPENDENT AUDITOR'S REPORT

To the Members of **Radiant Satellite (India) Private Limited.**

Report on the Financial Statements

We have audited the accompanying Financial Statements of Radiant Satellite (India) Private Limited ("the company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the other matters to be included in the Auditor’s Report and to our best of our information and according to the explanations given to us:

   a) The Company does not have any pending litigations which would impact its financial position.

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

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

For SAMRESH GUPTA & Co.
Chartered Accountants

Samresh Gupta
Proprietor
M.No: - 406756

Date: 21st June, 2019
Place: KOTA

Annexure to Independent Auditors' Report

(Referred to in Paragraph 5 of our audit report of even date)

Auditor's report containing matters specified in paragraphs 3 and 4;

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

(b) As explained to us these fixed assets have been physically verified by the management at reasonable intervals, no material discrepancy was noticed on such verification during the year.

(ii) The Company is a service company and does not deal with goods. Therefore clause (ii) of paragraph 3 and 4 of the order relating to physical verification of inventories, discrepancies on physical verification and maintaining inventory records is not applicable to the company.

(iii) The Company has not granted secured/ unsecured loan to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.

(iv) In our opinion and according to the information and explanation given to us there is an adequate internal control system commensurate with the size of the company and the nature of its business. During the course of our audit, there is no major instance of continuing failure to correct any weaknesses in internal control system has been noticed. The operation of company does not give rise to purchase of inventories and sale of goods.

(v) The Company has not accepted any deposits; hence this clause does not applicable to the company.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of the section 148 of Companies Act;

(vii) (a) Company is regular in depositing undisputed statutory dues including income-tax, service-tax, Provident fund, Employees state insurance and other statutory dues applicable to it though there has been a slight delay few cases. The provisions relating to, sales tax, wealth tax, custom duty, excise duty are not applicable to the company.

(b) The provisions relating to Investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 are not applicable to the company.

(viii) The accumulated losses of the company are more than 50 per cent of its net worth. The company has incurred cash losses in the past preceding financial years; hence comments on erosion of net worth are applicable.

(ix) As per information and explanation given to us company has not defaulted in repayment of dues to a financial institution or bank or debenture holders;

(x) According to the information given to us the company has not given any guarantee for loans taken by others from bank or financial institutions.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / not provided for managerial remuneration in the books of accounts. Accordingly reporting under clause 3 (xi) of the order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the term loans have been applied by the company during the year for the purposes for which they were obtained;

(xiii) We have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have been informed of such case by the management.

For SAMRESH GUPTA & Co.
Chartered Accountants

Samresh Gupta
Proprietor
M.No: - 406756

Date: 21st June, 2019
Place: KOTA

Balance Sheet as at March 31, 2019

(Amount `)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	2.7	-	-
Deferred Tax Assets (Net)	2.8	2,039,007	2,039,007
Long Term Loans and Advances	2.9	2,841,988	3,191,433
		4,880,995	**5,230,440**
CURRENT ASSETS			
Trade Receivables	2.1	8,491,108	5,885,501
Cash and Cash Equivalents	2.11	768,478	1,504,110
Short-Term Loans and Advances	2.12	5,256,720	9,963,688
Other Current Assets	2.13		
		14,516,306	**17,353,299**
Total Assets		**19,397,301**	**22,583,739**
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	1,500,000	1,500,000
Reserves and Surplus	2.2	(36,926,163)	(34,658,201)
		(35,426,163)	**(33,158,201)**
NON-CURRENT LIABILITIES			
Long-Term Provisions	2.3		
		-	-
CURRENT LIABILITIES			
Trade Payables	2.4	32,580,771	34,699,247
Other Current Liabilities	2.5	21,197,767	19,997,767
Short-Term Provisions	2.6	1,044,926	1,044,926
		54,823,464	**55,741,940**
Total Liabilities		**19,397,301**	**22,583,739**
Significant Accounting Policies	1		
Notes on Financial Statements	2		

As per our report of even date attached

For Samresh Gupta & Co.
Firm Regn No: 013606C
Chartered Accountants

For and on behalf of the Board of Directors

Samresh Gupta
Proprietor
Membership No. 406756

Kapil Arora
Director
Din No.: 01326659

Balbir Singh Sisodia
Director
Din No.: 01326684

Place: Kota, Rajasthan
Dated: 21.06.2019

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

(Amount `)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
REVENUE			
Revenue from Operations	2.14		
Other Income	2.15	24,458.00	58,152.00
Total Revenue		**24,458.00**	**58,152.00**
EXPENSES			
Operating cost	2.16		
Employee benefit expense	2.17		
Financial costs	2.18	108,000.00	
Depreciation and amortization expense	2.7		
Other expenses	2.19	2,184,420.00	853,111.00
Total Expenses		**2,292,420.00**	**853,111.00**
PROFIT BEFORE TAX		**(2,267,962.00)**	**(794,959.00)**
Tax expense:			
Current tax			
MAT Credit			
Deferred tax			
PROFIT AFTER TAX		**(2,267,962.00)**	**(794,959.00)**
EARNING PER EQUITY SHARE			
Equity shares of par value 10/- each		(15.12)	(5.30)
Basic		(15.12)	(5.30)
Diluted			
Weighted Average Number of shares used in calculating per share			
Basic		150,000.00	150,000.00
Diluted		150,000.00	150,000.00
Significant Accounting Policies	1		
Notes on Financial Statements	2		

As per our report of even date attached

For Samresh Gupta & Co.
Firm Regn No: 013606C
Chartered Accountants

For and on behalf of the Board of Directors

Samresh Gupta
Proprietor
Membership No. 406756

Kapil Arora
Director
Din No.: 01326659

Balbir Singh Sisodia
Director
Din No.: 01326684

Place: Kota, Rajasthan
Dated: 21.06.2019

Cash Flow Statement For The Year Ended March 31, 2019

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
(A)	**Cash flows from operating activities:**		
	Net Profit/ (Loss) before tax	(22,67,962)	(7,94,959)
	Adjustments for:		
	Depreciation/ Amortization		
	Provision for Gratuity		
	Operating Profit before working capital changes	(22,67,962)	(7,94,959)
	Adjustments for changes in working capital		
	(Increase)/ Decrease in Trade Receivables	(26,05,607)	(57,99,835)
	(Increase)/ Decrease in Loans, Advances & Other Current Assets	47,06,968	(28,970)
	Increase/ (Decrease) in Liabilities & Provisions	(9,18,476)	(95,23,540)
	Cash generated from operations	(10,85,077)	(1,61,47,304)
	Taxes paid/ received	(3,49,445)	(6,63,572)
	Security paid/ received		
	Net cash from operating activities	(7,35,632)	(1,54,83,732)
(B)	**Cash flows from investing activities:**		
	Sale of Fixed Assets		
	Purchases of Fixed Assets		
	Net cash used in investing activities	-	-
(C)	**Cash flows from financing activities:**		
	Interest on Loan		
	Net cash from financing activities	-	-
	Net Increase/ (Decrease) in Cash & Cash equivalents (A + B + C)	(7,35,632)	(1,54,83,732)
	Cash & Cash Equivalents at the beginning of the period	15,04,110	1,69,87,842
	Cash & Cash Equivalents at the end of the period	7,68,478	15,04,110
	Cash & Cash Equivalents at the end of the period comprise of :		
	Cash on Hand	6,94,857	13,58,000
	Balances with Banks in Current Accounts	73,621	1,46,110
		7,68,478	**15,04,110**

Note: The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 issued by the Central Government Companies (Accounting Standards) Rule 2006.

Notes forming part of the financial statements

1 Background

Radiant Satellite (India) Private Limited is a Company incorporated in India on July 27, 2006. The Company is primarily engaged in providing cable television distribution and other related services. It is a subsidiary of DEN Networks Limited which is a company listed on BSE & NSE.

2 Significant accounting policies

2.1 Basis of preparation

(i) Statement of Compliance and basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.Upto the year ended 31 March, 2016, the Company prepared its financial statements in accordance with the requirements of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

2.2 Summary of significant Accounting Policies

(a) 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.

(b) Property, plant and equipment

All the items of property, plant and equipment are stated at historical cost net of cenvat credit less/input tax credit less depreciation and impairment losses. 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.Depreciation is recognised so as to write off the cost of assets 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 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.	Computers	6 years
d.	Office and other equipment	3 years
e.	Furniture and fixtures	3 to 10 years
f.	Vehicles 6 years	
g.	Leasehold improvements	Lower of the useful life and the remaining period of the lease.

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.

Notes forming part of the financial statements

Transition to Ind AS

The Group had 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.

(c) 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.

Distribution network rights and non compete fees represents amounts paid to local cable operators/distributors to acquire rights over a particular area for a specified period of time. Other intangible assets include software.

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

Estimated useful life of the intangible assets are:

a.	Distribution network rights	5 years
b.	Software	5 years
c.	Non compete fees	5 years

Transition to Ind AS

The Group had 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.

(d) Impairment of tangible and intangible assets

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 group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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.

Notes forming part of the financial statements

(e) 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, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. 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 that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period

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 carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period

(f) Provisions

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. Notes on Accounts for the year ended March 31, 2019

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.1	**SHARE CAPITAL**		
	Authorised		
	Equity Share Capital		
	150000 (150000) Equity Shares of Rs. 10/- each	1,500,000	1,500,000
	Issued, Subscribed and Paid up		
	150000 (150000) Equity shares of Rs. 10/- each, fully paid up	1,500,000	1,500,000
		1,500,000	**1,500,000**

a) **The reconcilliation of the number of shares outstanding and the amount of share capital as at March 31, 2019 and March 31, 2018 is set out below:**

(Amount `)

PARTICULARS	March 31, 2019		March 31, 2018	
Numbers of shares at the beginning	150,000	1,500,000	150,000	1,500,000
Add: Shares issued during the year				
Number of shares at the end				
	150,000	**1,500,000**	**150,000**	**1,500,000**

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

(Amount `)

PARTICULARS	March 31, 2019		March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Den Network Limited (Holding Company)	76,500	765,000	76,500	765,000

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

PARTICULARS	March 31, 2019		March 31, 2018	
	No. of shares	% of holding	No. of shares	% of holding
Den Network Limited (Holding Company)	76,500	51%	76,500	51%
Balbir Singh Sisodia	36,750	24.50%	36,750	24.50%
Kapil Arora	36,750	24.50%	36,750	24.50%

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.

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.

Notes on Accounts for the year ended March 31, 2019

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.2	**RESERVES AND SURPLUS**		
	Securities Premium		
	Surplus-Opening Balance	9,500,000	9,500,000
	Add: Assets charged to opening reserve	(44,158,201)	(43,363,242)
	Add: Net profit after tax transferred from Statement of Profit and Loss	(2,267,962)	(794,959)
	Surplus-Closing Balance	**(46,426,163)**	**(44,158,201)**
	Total	**(36,926,163)**	**(34,658,201)**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.3	**LONG -TERM PROVISIONS**		
	Provisions for employee benefits-Gratuity (Refer Note 2.20)	-	-
	Total	-	-

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.4	**TRADE PAYABLES**		
	Trade Payables	32,580,771	34,699,247
	Total	**32,580,771**	**34,699,247**

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.

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.5	**OTHER CURRENT LIABILITIES**		
	Current Maturities of Long Term Borrowings	15,705,000	14,505,000
	Unearned revenue		
	Advances received from clients		
	Statutory Payables		
	Interest accrued and due on borrowings	5,452,767	5,452,767
	Book Overdraft in current account with bank		
	Other payables*	40,000	40,000
	Total	**21,197,767**	**19,997,767**

*(Includes Salary and Other Expenses Payables)

Notes on Accounts for the year ended March 31, 2019

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.6	**SHORT-TERM PROVISIONS**		
	Provision for MAT	1,044,926	1,044,926
	Provision for employee benefits- Gratuity (Refer Note 2.20)		
	Total	**1,044,926**	**1,044,926**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.7	**DEFERRED TAX ASSETS (NET)**		
	Major Components of Deferred Tax Assets/ (Liability) are as under:		
	Fixed Assets	987,057	987,057
	Employeed Benefits	358,319	358,319
	Losses to be carried forward under Income Tax Act, 1961	693,631	693,631
	Preliminary Expenses		
	Total	**2,039,007**	**2,039,007**
	Recognized in Balance Sheet	2,039,007	2,039,007
	Recognized in Statement of Profit and Loss	-	-

Ministry of Information and Broadcasting has notified for the Digitization of cable television distribution industry with effect from 1st of November 2012.

This will result in more control over the subsribers in terms of identification of actual number of subscribers, due to which the Company is expecting significant increase in the subscription and activation revenue and is virtually certain that losses of the Company will be wiped out. Considering this the Company is recognizing deferred tax on carried forward losses in its books of accounts.

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.8	**LONG TERM LOANS AND ADVANCES**		
	Unsecured, Considered Good		
	Advance Tax (Net of Provision for Tax NIL)	1,613,373	1,962,818
	Mat credit	1,044,926	1,044,926
	Security Deposits	183,689	183,689
	Total	**2,841,988**	**3,191,433**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.9	**TRADE RECEIVABLES**		
	Unsecured, Considered Good		
	Debts outstanding for a period exceeding six month*		
	Other debts**	8,491,108	5,885,501
	Total	**8,491,108**	**5,885,501**

Notes on Accounts for the year ended March 31, 2019

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.10	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	694,857	1,358,000
	Balances with banks		
	in Current Accounts	73,621	146,110
	Total	**768,478**	**1,504,110**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.11	**SHORT- TERM LOANS AND ADVANCES**		
	Unsecured, Considered Good		
	Prepaid Expenses		
	Advance for rendering of services		
	Service tax receivable	5,256,720	5,256,720
	Others	4,706,968	
	Total	**5,256,720**	**9,963,688**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.12	**OTHER CURRENT ASSETS**		
	Unbilled Revenues		
	Total		

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.13	**REVENUE FROM OPERATIONS**		
	Revenue from- Sales of services	-	-
	Total	**-**	**-**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.14	**OTHER INCOME**		
	Interest income	24,458	58,152
	Other income		
	Excess provision written back		
	Total	**24,458**	**58,152**

Notes on Accounts for the year ended March 31, 2019

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.15	**OPERATING EXPENSES**		
	Content Cost	-	-
	Movie Right	-	-
	Total	**-**	**-**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.16	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries and wages	-	-
	Contribution to provident and other funds	-	-
	Staff welfare expenses	-	-
	Total	**-**	**-**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.17	**FINANCE COSTS**		
	Interest Expenses	108,000	-
	Total	**108,000**	**-**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.18	**OTHER EXPENSES**		
	Insurance Expenses	-	29,246
	Legal and Professional Charges	-	5,144
	Payment to Auditors		
	Service Tax, Interest and Penalty	66,667	
	Income Tax Penalty	1,500	100,000
	Income Tax Demand	-	673,712
	Rent		
	Bad Debts	2,101,361	-
	Bank Charges	14,892	44,479
	Travelling and Conveyance	-	530
	Miscellaneous expenses	-	-
	Total	**2,184,420**	**853,111**

(Amount `)

	PARTICULARS	March 31, 2019	March 31, 2018
2.19.1	**Payment to Auditors**		
	For Statutory Audits	-	16,000
	Total	**-**	**16,000**

As per our report of even date attached

For Samresh Gupta & Co.
Firm Regn No: 013606C
Chartered Accountants

For and on behalf of the Board of Directors

Samresh Gupta
Proprietor
Membership No. 406756

Kapil Arora
Director
Din No.: 01326659

Balbir Singh Sisodia
Director
Din No.: 01326684

Place: Kota, Rajasthan
Dated: 21.06.2019