

Drashti Cable Network Limited

**Financial Statements
2022-23**

Independent Auditor's report
To The Members of Drashti Cable Network Limited
Report on the audit of financial statements

Opinion

1. We have audited the accompanying Ind AS financial statements of **Drashti Cable Network Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and the total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The company's net worth is negative. As per the management the company is still a going concern entity because it is in process of identifying new plans to improve the performance of the company. Instead of the above factors there is no uncertainty on the company's ability to continue as a going concern. The company has prepared its financial statements on a going concern basis.

Other information

5. The Company's Board of director is responsible for other information. The other information comprises the information included in the Report of the Directors and Management Discussions and Analysis Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management and those charged with governance for the Ind AS Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, Profit/Loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Ind As financial statements

8. Our objective is to obtain reasonable assurance about whether financial statements as a whole are free from any material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risk of material misstatement of financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedure that are appropriate in the circumstances; under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charges with governance, we determine those matters that were of most significant in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company does not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
 - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. 1st April, 2023, reporting in respect of mandatory use of accounting software with requisite audit trail facility is not applicable.

15. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For Batra Deepak & Associates

Chartered Accountants

Firm Reg. No.005408C

Parveen Aggarwal

Partner

Membership No. 500027

Udin: 23500027BGPAS4952

Place: New Delhi

Dated: 10/04/2023

ANNEXURE - A**Annexure A to Independent Auditor's Report**

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Drashti Cable Network Limited on the financial statements for the year ended March 31, 2023.

(i) Fixed Assets

(a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) Company has no intangible assets, hence this clause of paragraph 3(i)(a) of the order is not applicable to the Company.

(b) Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under Clause 3(i)(c) of the CARO 2020 is not applicable.

(d) According to the information and explanations given to us, The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

(ii) Inventories

a) The Company is a service company, primarily rendering Digital cable TV network services and there is no inventory in hand at any point of time, therefore the provisions of Clause 3(ii)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us, during any point of time of the year, the Company has not been sanctioned working capital limits, hence paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) Investment made or Loans given

According to the information and explanations given to us, during the year Company has not made investment in, provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties, hence paragraph 3(iii) of the Order is not applicable to the Company.

(iv) Compliance of Sec 185 & 186

The Company has not granted any loan or made any investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of Clause 3 (iv) of the said Order are not applicable to the Company.

(v) Public Deposit

The Company has not accepted any deposits from the public within the meaning of Sec 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under to the extent notified.

(vi) Cost Records

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

(vii) Statutory Dues

(a) According to the information and explanations given to us and the records of the Company examined by us, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income-tax, Goods and Services Tax (GST) and other material statutory dues have been regularly deposited by the Company during the year.

(b) According to the information and explanations given to us, no undisputed dues in respect of income-tax, Goods and Services Tax (GST) and other statutory dues were outstanding, as at 31st March 2023, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax, entertainment tax, Goods and Service Tax and other statutory dues that have been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, the company does not have any transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provision of paragraph 3(viii) of the order is not applicable to the Company.

(ix) As the Company does not have any loan or borrowings from any financial institution or banks or Government, nor has it issued any debentures as at the balance sheet date, the provisions of paragraph 3 (ix) of the Order is not applicable to the Company.

(x) Application of funds raised through public offer

(a) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under audit. Therefore, the provisions of Clause 3 (x)(a) of the Order is not applicable to the Company.

(b) As per the information and explanations given to us by the management and based on our examination of the records, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, compliance of section 42 and 62 of the acts does not arise. Therefore paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) Fraud

a) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.

(b) To the best of our knowledge and according to the information and explanations provided to us, no report under sub-section (12) of section 143 of the Companies act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central government.

(c) Company is not require establishment of whistle blower mechanism under section 177(9) of the act. Therefore provisions of Clause 3 (xi)(c) of the Order are not applicable to the Company

(xii) As the Company is not a Nidhi Company and the Nidhi rules, 2014 are not applicable to it. Hence, the paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) The Company has entered into transactions with related parties' in compliance with the provisions of Section 177 and 188 of Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standards (Ind AS) 24, Related party disclosure specified under Section 133 of the Act.

(xiv) (a) The Company have an internal audit system, commensurate with the size and nature of its business;

(b) Yes, the report of internal auditor of company has been considered by us.

The provisions of Clause 3(xiv)(a) and 3(xiv)(b) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

(xvii) The company has incurred cash losses during the current financial year as well as incurred cash losses in the immediately preceding financial year.

(xviii) As there have not been any resignation of the statutory auditor during the year. Accordingly the provisions of Clause 3 (xviii) of the Order are not applicable to the Company.

- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) As the Company is not covered under the criteria mentioned in Section 135(1) of Companies Act, 2013. Accordingly the provisions of Clause 3 (xx) of the Order are not applicable to the Company.
- (xxi) According to the information and explanations given to us, and based on our examination of the records, Company is not required to prepare consolidated financial statements. Accordingly the provision of Para 3(xxi) of the order is not applicable to the Company.

For Batra Deepak & Associates

Chartered Accountants

Firm Reg. No.005408C

Parveen Aggarwal

Partner

Membership No. 500027

Udin: 23500027BGPAS4952

Place: New Delhi

Dated: 10/04/2023

ANNEXURE – B to the Auditor’s Report

Referred to in paragraph 14(f) of the Independent Auditor’s Report of even date to the members of Drashti Cable Network Limited on the financial statements for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

1. We have audited the internal financial controls with reference to financial statements of **Drashti Cable Network Limited** (“the Company”) as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the Orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to Financial Statements

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

For Batra Deepak & Associates

Chartered Accountants

Firm Reg. No.005408C

Parveen Aggarwal

Partner

Membership No. 500027

Udin: 23500027BGVPAS4952

Place: New Delhi

Dated: 10/04/2023

DRASHTI CABLE NETWORK LIMITED
BALANCE SHEET AS AT 31st MARCH, 2023

Particulars	Note No.	As at 31.03.2023 (Rs.' 000)	As at 31.03.2022 (Rs.' 000)
A. ASSETS			
1. Non-Current Assets			
(a) Property, plant and equipment	3	-	-
(b) Deferred tax assets (net)	17	-	-
(c) Other non-current assets	4	-	-
		<u>-</u>	<u>-</u>
2. Current Assets			
(a) Financial Assets			
(i) Trade receivables	5	1,186.20	1,186.20
(ii) Cash and cash equivalents	6	251.04	251.04
(iii) Other financial assets	7	10.00	10.00
(b) Other current assets	8	84.90	70.74
		<u>1,532.14</u>	<u>1,517.98</u>
Total Assets		<u>1,532.14</u>	<u>1,517.98</u>
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	535.70	535.70
(b) Other equity		<u>(17,444.20)</u>	<u>(17,371.28)</u>
		<u>(16,908.50)</u>	<u>(16,835.58)</u>
Liabilities			
1. Non-Current Liabilities			
(a) Deferred tax liabilities (net)	17	-	-
(b) Other non-current liabilities	10	-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
2. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	11	-	-
(ii) Trade payables			
-total outstanding dues to creditors other than micro enterprises and small enterprises	12	18,437.04	18,348.96
(b) Other current liabilities	13	3.60	4.60
Total current liabilities		<u>18,440.64</u>	<u>18,353.56</u>
Total liabilities		<u>18,440.64</u>	<u>18,353.56</u>
Total Equity and Liabilities		<u>1,532.14</u>	<u>1,517.98</u>

See accompanying notes forming part of the Ind AS financial statements

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In terms of our report attached
For M/s. Batra Deepak & Associates
Chartered Accountants
ICAI Firm Registration No.: 005408C

For and on behalf of the Board of Directors of
DRASHTI CABLE NETWORK LIMITED

Parveen Aggarwal
Partner
Membership No. 500027

Anil V John
Director
DIN No: 03493926

Pallab Kumar
Director
DIN :09186577

Date : 10.04.2023

Date : 10.04.2023

Date : 10.04.2023

DRASHTI CABLE NETWORK LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	Note No.	For the year ended	
		31.03.2023 (Rs.' 000)	31.03.2022 (Rs.' 000)
1. REVENUE			
a. Revenue from operations	14	-	-
b. Other income	15	-	79.95
2. TOTAL REVENUE		-	79.95
3. EXPENSES			
a. Depreciation	3	-	-
b. Other expenses	16	72.92	132.64
4. TOTAL EXPENSES		72.92	132.64
5. PROFIT BEFORE TAX (2-4)		(72.92)	(52.69)
6. TAX EXPENSE			
a. Current tax expense	-	-	-
b. Mat Credit Written off		-	-
c. Short provision for tax relating to prior years		-	714.15
d. Deferred tax	17	-	-
NET TAX EXPENSE		-	714.15
7. PROFIT AFTER TAX (5 - 6)		(72.92)	(766.84)
8. Other Comprehensive Income			
(i) Items that will not be reclassified to Profit			
- Remeasurements of the defined benefit obligation		-	-
- Deferred Tax on Remeasurements of the defined benefit obligation		-	-
Total other comprehensive income		-	-
9. Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (7 + 8)		(72.92)	(766.84)
10. Earnings per equity share (Face value of Rs. 10 per share)			
Basic (Rs. per share)	19	(1.36)	(14.31)
Diluted (Rs. per share)	19	(1.36)	(14.31)

See accompanying notes forming part of the Ind AS financial statements

1 to 35

In terms of our report attached
For M/s. Batra Deepak & Associates
Chartered Accountants
ICAI Firm Registration No.: 005408C

For and on behalf of the Board of Directors of
DRASHTI CABLE NETWORK LIMITED

Parveen Aggarwal
Partner
Membership No. 500027

Anil V John
Director
DIN No: 03493926

Pallab Kumar
Director
DIN :09186577

Date : 10.04.2023

Date : 10.04.2023

Date : 10.04.2023

DRASHTI CABLE NETWORK LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

A. Equity Share Capital

Particulars	(Rs.' 000)			
	As at 31.03.2023		As at 31.03.2022	
	No of shares	Amount	No of shares	Amount
Numbers of shares at the Beginning	53,570.00	535.70	53,570.00	535.70
Add: Shares issued during the year	-	-	-	-
Numbers of shares at the End	53,570.00	535.70	53,570.00	535.70

B. Other equity

For the year ended March 31, 2023

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Securities premium	Capital Redemption Reserve	Retained earnings	Actuarial Gain / (Loss)		
Balance at the beginning of the reporting year	2,564.30	-	(19,935.58)	-	(17,371.28)	
Total Comprehensive income for the Year	-	-	(72.92)	-	(72.92)	
Balance at the end of the reporting year	2,564.30	-	(20,008.50)	-	(17,444.20)	

For the year ended March 31, 2022

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Securities premium	Capital Redemption Reserve	Retained earnings	Actuarial Gain / (Loss)		
Balance at the beginning of the reporting year	2,564.30	-	(19,168.74)	-	(16,604.44)	
Total Comprehensive income for the Year	-	-	(766.84)	-	(766.84)	
Balance at the end of the reporting year	2,564.30	-	(19,935.58)	-	(17,371.28)	

In terms of our report attached

For M/s. Batra Deepak & Associates
Chartered Accountants
ICAI Firm Registration No.: 005408C

For and on behalf of the Board of Directors of

DRASHTI CABLE NETWORK LIMITED

Parveen Aggarwal
Partner
Membership No. 500027

Anil V John
Director
DIN No: 03493926

Pallab Kumar
Director
DIN :09186577

Date : 10.04.2023

Date : 10.04.2023

Date : 10.04.2023

DRASHTI CABLE NETWORK LIMITED

STATEMENT CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2023

	For the Year Ended 31.03.2023 (Rs.' 000)	For the Year Ended 31.03.2022 (Rs.' 000)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(72.92)	(52.69)
Adjustments for:		
Liabilities/ excess provisions written back (net)	-	-
Provision for doubtful debts	-	-
Operating profit before working capital changes	(72.92)	(52.69)
Changes in working capital:		
<u>Adjustments for (increase)/ decrease in operating assets:</u>		
Trade Receivables	-	-
Other current financial assets	-	-
Other current non- financial assets	(14.16)	17.59
Other non current financial assets	-	-
Other non current non-financial assets	-	-
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Current financial Liabilities	88.08	824.36
Current non-financial Liabilities	(1.00)	4.60
Other non current financial Liabilities	-	-
Other non current non-financial Liabilities	-	-
Short term provisions	-	-
Cash generated from operations	(0.00)	793.86
Taxes paid / (refunds)	-	(714.15)
Net Cash generated from Operating Activities	(0.00)	79.71
B CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash used in Investing Activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash used in Financing Activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	(0.00)	79.71
Cash and Cash Equivalents at the beginning of the year	251.04	171.33
Cash and Cash Equivalents at the end of the year	251.04	251.04
Cash and Cash Equivalents at the end of the year comprise of:		
Cash on Hand	-	-
Balances with Banks in Current Accounts	251.04	251.04
	251.04	251.04

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

In terms of our report attached
For M/s. Batra Deepak & Associates
Chartered Accountants
ICAI Firm Registration No.: 005408C

For and on behalf of the Board of Directors of
DRASHTI CABLE NETWORK LIMITED

Parveen Aggarwal
Partner
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Anil V John
Director
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Pallab Kumar
Director
DIN :09186577

Date : 10.04.2023

Date : 10.04.2023

Date : 10.04.2023

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****1. Background**

Drashti Cable Network Limited (Formerly known as Drashti Cable Network Private Private Limited) is a Company incorporated in India on February 05, 2008. The Registered address of the company is situated at Registered Office is A-11, Second Floor, Left Side, Rajouri Garden New Delhi West Delhi DL 110027 IN. Futuristic Media and Entertainment Limited has become holding company of the Company.

2 Significant accounting policies**2.01 Basis of preparation****(i) Statement of Compliance and basis of preparation**

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

(ii) Basis of preparation and measurement

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

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

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets or liability.

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

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

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

2.03 Cash flow statement

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

The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "Statement of Cash Flow" issued by the Central Government under Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (Companies Indian Accounting Standard Rules, 2015) and as per amendment notified in March 2017 by the Ministry of Corporate Affairs issued in the Companies (Indian Accounting Standards) (Amendments) Rules, 2017

Amendment to Ind AS 7:

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

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****2.04 Property, plant and equipment**

All the items of property, plant and equipment are stated at historical cost net off cenvat credit less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful life is taken in accordance with Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

2.05 Intangible assetsIntangible assets acquired separately

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

Derecognition of intangible assets

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

Useful lives of intangible assets

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

a. Software	5 years
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2.06 Impairment of tangible and intangible assets other than goodwill

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

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023**

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

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.07 Revenue recognition

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

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

i. Rendering of services

1. Service revenue comprises subscription income from digital and analog subscribers, placement of channels, advertisement revenue, fees for rendering management, technical and consultancy services and other related services. Income from services is recognised on percentage completion of services as per the terms of contracts with the customers. Period based services are accrued and recognised pro-rata over the contractual period.
2. Activation fees on Set top boxes (STBs) is recognised on activation of boxes over the life of the STBs. Activation fees received in advance is deferred over the period of life of the STB and has been considered as deferred revenue.
3. Amounts billed for services in accordance with contractual terms but where revenue is not recognised, have been classified as advance billing and disclosed under current liabilities.

Adoption of Ind AS 115

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

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

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

2.08 Other incomeInterest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.09 Foreign exchange gains and losses

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

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

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023**Treatment of exchange differences

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

2.10 Financial instruments

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

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

Financial assets

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

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

Classification of financial assets

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

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

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

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

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

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

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

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023**

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

Impairment of financial assets

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

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

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

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

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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

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

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

Derecognition of financial assets

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

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

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

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****Foreign exchange gains and losses**

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

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

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

2.11 Financial liabilities and equity instruments**Classification as debt or equity**

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

Equity instruments

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

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

Financial liabilities

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

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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

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

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

Financial liabilities subsequently measured at amortised cost

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

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

Financial guarantee contracts

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

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

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

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

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

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Foreign exchange gains and losses

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

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

Derecognition of financial liabilities

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

2.12 Employee benefits

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

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

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

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

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023**

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

Short-term and other long-term employee benefits

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

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

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

2.13 Leases

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

The Company as lessor

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

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

The Company as lessee

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

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

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

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

2.14 Borrowing costs

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

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

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

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023**

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Taxation

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

Current tax

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

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

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

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

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

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

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

Current and deferred tax for the year

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

2.17 Provisions and contingencies

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

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

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

2.18 Share issue expenses

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

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****2.19 Insurance claims**

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

2.20 GST input credit

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

2.21 Critical accounting judgements and key sources of estimation uncertainty**Critical accounting judgements**

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Contingent liabilities

Assessment of whether outflow embodying economic benefits is probable, possible or remote.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There is no such change in the useful life of the assets.

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Defined benefit obligations

Key assumptions related to life expectancies, salary increases and withdrawal rates.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

2.22 Operating Cycle

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

2.23 Current and non Current classification :

i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset as current when it is:

- 1 Expected to be realised or intended to be sold or consumed in normal operating cycle
 - 2 Held primarily for the purpose of trading
 - 3 Expected to be realised within twelve months after the reporting period, or
 - 4 Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non - current.

ii A liability is current when:

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

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

2.24 Recent accounting pronouncements

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

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	As at 31.03.2023 (Rs.' 000)	As at 31.03.2022 (Rs.' 000)			
4. Other non-current assets					
i. Considered good					
a. Prepaid expenses	-	-			
b. Balance with government authorities (GST Receivable)	-	-			
	<u>-</u>	<u>-</u>			
5. Trade receivables (Unsecured)					
a. Trade receivables					
(a) considered good - Secured	1,186.20	1,186.20			
(b) considered good - Unsecured	-	-			
(c) Which have significant increase in Credit Risk	-	-			
(d) Trade Receivables - credit impaired	-	-			
(e) Provision for doubtful debts/ expected credit loss	-	-			
	<u>-</u>	<u>-</u>			
Net Debtors	<u>1,186.20</u>	<u>1,186.20</u>			
Notes:					
a) Trade Receivable ageing as at 31st March 2023		(Rs.' 000)			
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years
i) Undisputed Trade receivables – considered good	-	-	-	-	1,186.20
Total	-	-	-	-	1,186.20
Trade Receivable ageing as at 31st March 2022					(Rs.' 000)
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years
i) Undisputed Trade receivables – considered good	-	-	-	-	1,186.20
Total	-	-	-	-	1,186.20
Movement in the expected credit loss allowance					
Balance at the beginning of the year			1,186.20		1,186.20
Movement in expected credit loss allowance			-		-
Balance at the end of the year			<u>1,186.20</u>		<u>1,186.20</u>
6. Cash and cash equivalents					
Balance with banks					
i. in current accounts			251.04		251.04
			<u>251.04</u>		<u>251.04</u>
7. Other financial assets					
a. Security deposits			10.00		10.00
			<u>10.00</u>		<u>10.00</u>
8. Other current assets					
a. Prepaid expenses			-		-
b. Other advances			84.90		70.74
			<u>84.90</u>		<u>70.74</u>

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	As at	As at
	31.03.2023	31.03.2022
	(Rs.' 000)	(Rs.' 000)
9. EQUITY SHARE CAPITAL		
A. AUTHORISED		
1,00,000 Equity Shares of Rs. 10/- each	1,000.00	1,000.00
B. ISSUED, SUBSCRIBED AND FULLY PAID UP		
53,570 Equity Shares of Rs. 10/- each, fully paid up	535.70	535.70
	535.70	535.70

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

Particulars	As at 31.03.2023		As at 31.03.2022	
	No of shares	Amount (Rs.' 000)	No of shares	Amount (Rs.' 000)
Numbers of shares at the	53,570	535.70	53,570	535.70
Add: Shares issued during the year	-	-	-	-
Numbers of shares at the End	53,570	535.70	53,570	535.70

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

Particulars	As at 31.03.2023		As at 31.03.2022	
	No of shares	Amount (Rs.' 000)	No of shares	Amount (Rs.' 000)
Den Networks Limited (Holding Company)*	-	-	27,325	273.25
Futuristic Media and Entertainment Limited **	44,385	443.85	17,060	170.60

* Including share held by nominees

Futuristic Media and Entertainment Limited is Subsidiary Company of Den Networks Limited

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

Name of Shareholder	As at 31.03.2023		As at 31.03.2022	
	No of shares	% Holding	No of shares	% Holding
Den Networks Limited (Holding Company)*	-	-	27,325	51.00%
Futuristic Media and Entertainment Limited **	44,385	82.85%	17,060	31.85%
Mr. Jayesh S. Patel	9,185	17.15%	9,185	17.15%
Total	53,570		53,570	

* Including share held by nominees

Futuristic Media and Entertainment Limited is Subsidiary Company of Den Networks Limited

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) Shareholding of promoters

As at 31st March 2023

Sr. No.	Class of equity Shares	Promoter's Name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
1	Equity	Den Networks Limited	27,320	-27,320	-	-	-
2	Equity	Futuristic Media and Entertainment Limited	17,060	27,320	44,380	82.85	51.00
3	Equity	Mr. Jayesh S. Patel	9,185	-	9,185	17.15	-
	Total		53,565	-	53,565	100.00	51.00

As at 31st March 2022

Sr. No.	Class of equity Shares	Promoter's Name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
1	Equity	Den Networks Limited	27,320	-	27,320	51.00	-
2	Equity	Futuristic Media and Entertainment Limited	17,060	-	17,060	31.85	-
3	Equity	Mr. Jayesh S. Patel	9,185	-	9,185	17.15	-
	Total		53,565	-	53,565	100.00	-

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	As at 31.03.2023 (Rs.' 000)	As at 31.03.2022 (Rs.' 000)			
10. Other non-current liabilities					
a. Deferred revenue	-	-			
	<u>-</u>	<u>-</u>			
11. Borrowings					
Short-term borrowings (Unsecured) at amortised Cost					
a. Interest Free Loan from Related Parties repayable on demand	-	-			
b. Loans from Holding	-	-			
	<u>-</u>	<u>-</u>			
12. Trade payables					
Trade payables - Other than acceptances					
a. total outstanding dues of micro enterprises and small enterprises	-	-			
-Payable for goods and services	18,437.04	18,348.96			
	<u>18,437.04</u>	<u>18,348.96</u>			
Trade Payable ageing as at 31st March 2023		(Rs. 000)			
Particulars	Outstanding from due date of payment				Total
	< 1 year	1-2 years	2-3 years	>3 years	
(i) MSME	-	-	-	-	-
(ii) Others	167.45	551.43	-	17,718.16	18,437.04
(iii) Disputed-MSME	-	-	-	-	-
(iv) Disputed-Others	-	-	-	-	-
Total	167.45	551.43	-	17,718.16	18,437.04
Refer note number 18					
Trade Payable ageing as at 31st March 2022					(Rs. 000)
Particulars	Outstanding from due date of payment				Total
	< 1 year	1-2 years	2-3 years	>3 years	
(i) MSME	-	-	-	-	-
(ii) Others	884.26	46.54	69.18	17,348.98	18,348.96
(iii) Disputed-MSME	-	-	-	-	-
(iv) Disputed-Others	-	-	-	-	-
Total	884.26	46.54	69.18	17,348.98	18,348.96
Refer note number 18					
13. Other current liabilities					
a. Deferred revenue	-	-	-	-	-
b. Statutory remittances	3.60	3.60	3.60	3.60	4.60
	<u>3.60</u>	<u>3.60</u>	<u>3.60</u>	<u>3.60</u>	<u>4.60</u>

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	For the year ended 31.03.2023 (Rs.' 000)	For the year ended 31.03.2022 (Rs.' 000)
14. REVENUE FROM OPERATIONS		
Sale of services	-	-
15. OTHER INCOME		
a. Miscellaneous income	-	79.95
	-	79.95
16. OTHER EXPENSES		
a. Consultancy, professional and legal charges*	72.47	103.25
b. STB Activation Charges	-	-
c. Rates and taxes	-	-
d. Bad debts written off	-	-
e. Miscellaneous expenses	0.45	29.39
	72.92	132.64
* Consultancy, professional and legal charges includes Auditor's remuneration as under :		
a. To statutory auditors		
: Statutory audit fee	30.00	30.00
: Tax audit fee	-	-
	30.00	30.00

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

17. Current Tax and Deferred Tax

(a) Income Tax Expense

Particulars	(Rs.' 000)	
	Year ended 31.03.2023	Year ended 31.03.2022
Current Tax:		
Current Income Tax Charge	-	-
Income Tax for earlier years	-	714.15
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	-
Total Tax Expense recognised in profit and loss account	-	714.15

Deferred tax in respect of reversal of temporary differences considered in exceptional items

Total Tax Expense including exceptional items	-	714.15
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(b) Income Tax on Other Comprehensive Income

Particulars	(Rs.' 000)	
	Year ended 31.03.2023	Year ended 31.03.2022
Deferred Tax		
Remeasurement of Defiend Benefit Obligaitons	-	-
Total	-	-

(c) Movement of Deferred Tax

(i) Movement of Deferred Tax for 31.03.2023

Particulars	(Rs.' 000)		
	Year ended 31.03.2023		
	As at 01.04.2022	Recognised in statement of profit and Loss	As at 31.03.2023
<u>Tax effect of items constituting deferred tax liabilities</u>			
Property, Plant and Equipment	-	-	-
	-	-	-
<u>Tax effect of items constituting deferred tax assets</u>			
Employee Benefits - Gratuity	-	-	-
Doubtful debts	-	-	-
Other financial asset	-	-	-
	-	-	-
Net Tax Asset (Liabilities)	-	-	-

(ii) Movement of Deferred Tax for 31.03.2022

Particulars	(Rs.' 000)		
	Year ended 31.03.2022		
	As at 01.04.2021	Recognised in statement of profit and Loss	As at 31.03.2022
<u>Tax effect of items constituting deferred tax liabilities</u>			
Property, Plant and Equipment	-	-	-
	-	-	-
<u>Tax effect of items constituting deferred tax assets</u>			
Employee Benefits - Gratuity	-	-	-
Doubtful debts	-	-	-
Financial Assets	-	-	-
	-	-	-
Net Tax Asset (Liabilities)	-	-	-

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	Year ended 31.03.2023 (Rs.' 000)	Year ended 31.03.2022 (Rs.' 000)
(d) The income tax expense for the year can be reconciled to the accounting		
Profit/(Loss) before tax	(72.92)	(52.69)
Income tax expense calculated	(18.35)	(13.26)
- Permanent Difference	-	20.12
- Related to Deferred Revenue	-	0.00
- Effect of unused tax losses, timing difference and tax offsets not recognised as	18.35	(6.86)
- Effect of timing difference recognised as deferred tax asset relating to previous years	-	-
- Effect on deferred tax balances due to the change in income tax rates	-	-
- Carried forward losses utilised	0.00	(0.00)
Adjustments recognised in the current year in relation to the current tax of prior years	-	(714.15)
Total tax expense charged/(credited) in Statement of Profit and Loss	-	-714.15

The tax rate used for the 2020-2021 and 2019-2020 reconciliations above is the corporate tax rate of 25.17% and 25.17% respectively payable by corporate entities

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

Particulars	As at 31.03.2023 (Rs.' 000)	As at 31.03.2022 (Rs.' 000)
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following (refer note below):		
- tax losses (revenue in nature)	1,110.47	1,832.00
- tax losses (capital in nature)	-	-
- unused tax credits	-	-
- unabsorbed depreciation (revenue in nature)	116.11	116.11
- deductible temporary differences	-	-
i. Property, plant and equipment and other intangible assets	-	-
ii. Provision for employee benefits	-	-
iii. Impairment allowance for doubtful balances	-	-
iv. Deferred revenue	-	-
vi. Allowance for uncollectible finance lease receivables	-	-
vii. Impairment allowance for capital advances	-	-
viii. Impairment allowance for supplier advance	-	-
v. Share issue expenses	-	-
	1,226.58	1,948.11

Note:

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

Particulars	As at 31.03.2023 (Rs.' 000)	As at 31.03.2022 (Rs.' 000)
Deferred tax assets with no expiry date	116.11	116.11
Deferred tax assets with expiry date	1,110.47	1,832.00
	1,226.58	1,948.11

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

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

Particulars	Year ended	Year ended
	31.03.2023 (Rs.' 000)	31.03.2022 (Rs.' 000)
(a) (i) the principal amount remaining unpaid to any supplier (ii) interest due thereon	-	-
(b) interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day	-	-
(c) interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) interest accrued and remaining unpaid	-	-
(e) further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

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

19. Earnings per equity share (EPS)*

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
a. Net Profit attributable to equity shareholders (in Rs.' 000)	(72.92)	(766.84)
b. Weighted average number of equity shares outstanding used in computation of basic EPS	53,570.00	53,570.00
c. Basic Profit per equity share of Rs. 10 each (in Rs.)	(1.36)	(14.31)
d. Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS	53,570.00	53,570.00
e. Diluted Earnings per equity share of Rs. 10 each (in Rs.)	(1.36)	(14.31)

* There are no potential equity shares as at 31.03.2023 (nil at 31.03.2022)

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

20. Related Party Disclosures

I. List of related parties

a Holding Company

- 1 Futuristic Media and Entertainment Ltd.
- 2 DEN Networks Limited

b Key managerial personnel / Director

- | | | |
|------------------------|----------|------------------------------------|
| 1 Ayyappan Koorathawar | Director | Date of Appointment Dt.25.04.2022 |
| 2 Anil V John | Director | Date of Appointment Dt.25.04.2022 |
| 3 Pallab Kumar | Director | Date of Appointment Dt. 11.06.2021 |

c Companies under the common control of the holding company

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

(Figures in bracket relates to previous year)

(Rs. '000)

Particulars	Holding Company	Companis Under Common Control	Grand total
A. Transactions during the year			
i Other expenses			
For the Year ended 31 March, 2023	-	-	-
For the Year ended 31 March, 2022	-	-	-
Total For the Year Ended 31st March, 2023	-	-	-
Total For the Year Ended 31st March, 2022	-	-	-
B. Outstanding balances at year end			
i. Trade payables			
As on 31 March, 2023	18,358.06		18,358.06
As on 31 March, 2022	(18,269.58)	-	(18,269.58)
ii. Unsecured Loan taken			
As on 31 March, 2023	-	-	-
As on 31 March, 2022	-	-	-
Total For the Year Ended 31st March, 2023	18,358.06	-	18,358.06
Total For the Year Ended 31st March, 2022	(18,269.58)	-	(18,269.58)
i. Trade receivables			
As on 31 March, 2023	1,186.20		1,186.20
As on 31 March, 2022	(1,186.20)		(1,186.20)
Total For the Year Ended 31st March, 2023	1,186.20	-	1,186.20
Total For the Year Ended 31st March, 2022	(1,186.20)	-	(1,186.20)

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

21. Financial Instruments

(a) Financial risk management objective and policies

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

Financial assets and liabilities:

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

As at 31.03.2023				(Rs.' 000)
Financial assets	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Cash and cash equivalents	251.04	-	-	251.04
Trade receivables	1,186.20	-	-	1,186.20
Other current financial assets	10.00	-	-	10.00
	1,447.24	-	-	1,447.24

Financial liabilities	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Current borrowings	-	-	-	-
Trade payables	18,437.04	-	-	18,437.04
Other current financial liabilities	-	-	-	-
	18,437.04	-	-	18,437.04

As at 31.03.2022				(Rs.' 000)
Financial assets	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Cash and cash equivalents	251.04	-	-	251.04
Trade and other receivables	1,186.20	-	-	1,186.20
Other current financial assets	10.00	-	-	10.00
	1,447.24	-	-	1,447.24

Financial liabilities	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Long term borrowings	-	-	-	-
Short term borrowings	-	-	-	-
Trade payables	18,348.96	-	-	18,348.96
Other current financial liabilities	-	-	-	-
	18,348.96	-	-	18,348.96

(b) Risk management framework

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

Market Risk

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

Liquidity risk

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

As at 31.03.2023			(Rs.' 000)
Current	<1 year	> 1 Year	Total
- Borrowings	-	-	-
- Trade payables	167.45	18,269.60	18,437.04
- Other current financial liabilities	-	-	-
Total	167.45	18,269.60	18,437.04

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

As at 31.03.2022	<1 year	> 1 Year	Total
Current			
- Borrowings	-	-	-
- Trade payables	884.26	17,464.70	18,348.96
- Other current financial liabilities	-	-	-
Total	884.26	17,464.70	18,348.96

Counterparty and concentration of credit risk

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

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

None of the company's cash equivalents are past due or impaired. Regarding trade and other receivables, and other non-current assets, there were no indications as at 31.03.2023, that defaults in payment obligations will occur.

Of the year ended 31.03.2023 and 31.03.2022, Trade and other receivables balance the following were past due but not impaired:

(Rs.' 000)			
As at 31.03.2023	Due less than 6 months	Due greater than 6 months	Total
Trade Receivables	-	1,186.20	1,186.20
Security Deposits	-	-	-
Other current financial assets	-	10.00	10.00
	-	1,196.20	1,196.20

(Rs.' 000)			
As at 31.03.2022	Due less than 6 months	Due greater than 6 months	Total
Trade Receivables	-	1,186.20	1,186.20
Security Deposits	-	-	-
Other current financial assets	-	10.00	10.00
	-	1,196.20	1,196.20

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

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

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

DRASHTI CABLE NETWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

23. Ratio Analysis

S.n. Particulars	2022-23	2021-22
1 Current Ratio	0.08	0.08
2 Debt-Equity Ratio*	-	-
3 Debt service coverage ratio^	-	-
4 Return on equity ratio	-	-
5 Inventory turnover ratio#	-	-
6 Trade receivable turnover ratio	-	-
7 Trade payable turnover ratio	-	-
8 Net capital turnover ratio	-	-
9 Net profit ratio	-	-
10 Return on capital employed	-	-
11 Return on Investment	-	-

* No debt outstanding as on 31/3/23 and as on 31/3/22.

^ No interest cost during FY 2022-23

No inventory in group

23.1 Formula for computation of ratios are as follows:

S.n. Particulars	Formula
1 Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2 Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3 Debt Service Coverage Ratio	$\frac{\text{Earning before Interest, Tax \& Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4 Return on Equity Ratio	$\frac{\text{Profit after Tax (Attributable to Owners)}}{\text{Average Net worth}}$
5 Inventory Turnover Ratio	$\frac{\text{Cost of goods sold}}{\text{Average Inventories of Finished Goods, Stock-in Process and stock in trade}}$
6 Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivable}}$
7 Trade Payables Turnover Ratio	$\frac{\text{Cost of Services + Other Expenses}}{\text{Average Trade Payables}}$
8 Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Net Worth}}$
9 Net Profit Ratio	$\frac{\text{Profit after Tax}}{\text{Value of Sales \& Services}}$
10 Return on Capital Employed	$\frac{\text{Profit after Tax + Deferred Tax Expense (Income) + Finance Cost (-) Other Income (-) Share of Profit / (Loss) of Associates}}{\text{Average Capital Employed}}$
11 Return on Investment	$\frac{\text{Other Income (Excluding Divided)}}{\text{Average Cash, Cash equivalent \& Other marketable securities}}$

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****24. Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity and internal accruals.

25. POST REPORTING EVENTS

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

26. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors on 10-04-2023. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

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

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

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

29. Company is not operating the Cable TV distribution business, post DAS implementation, as the company has not obtained DAS licence. Company has no other business activity

30. Pursuant to TRAI notification, Digital Addressable System (DAS) has been implemented in the territory of the company under Phase II. The company has opted not to invest in digitizing its subscribers and will continue the business for primary point network in capacity of LCO. Hence post analog sunset date; the subscription revenue will have revenue only from primary point network in capacity of LCO. Pursuant to TRAI notification, Digital Addressable System (DAS) has been implemented in the territory of the company under Phase II. The company is billing to its direct subscribers which should be done by the MSO as per the TRAI notification. MSO is in the process of implementing billing directly to the subscribers in the territory. Pursuant to TRAI notification, Digital addressable system (DAS) has been implemented in the territory of the Company in which Company operates in the Phase - 2 w.e.f 1st July, 2013. The company has opted not to invest in digitizing its subscribers. Hence, the company could not provide services to its subscribers since 1st July 2013. Further during the year 2017-18 the company has entered slump sale agreement where in all the subscriber and Fixed asset is sold. Due to material uncertainties related to events or conditions as mentioned, that may cast significant doubt upon the company's ability to continue as a going concern. The company is reviewing the situation and expect to resume its operations soon, therefore, management is of the opinion that financial statement should be prepared on going concern assumption.

31. REVENUE FROM OPERATIONS**Accounting Policy**

The Company derives revenues primarily from sale of services. Effective April 1, 2018, the Company adopted IndAS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of IndAS 115 was insignificant.

Revenue is recognized upon transfer of control of promised service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services or goods.

For rendering of services, performance obligation is satisfied over time. The Company recognizes revenue allocated to this performance obligation over the period the performance obligation is satisfied.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and claims, if any, as specified in the contract with the customer. Revenue is also net of indirect taxes in its statement of profit and loss.

Unearned and deferred revenue ("contract liability") is recognised when there is billing in excess of revenues.

The Company disaggregates revenue from contracts with customers by type of products and services, geography and timing of revenue recognition.

DRASHTI CABLE NETWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023****Use of significant judgments in revenue recognition**

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

32. Capital commitments and contingent liabilities

	Year ended 31-Mar-23 (Rs.' 000)	Year ended 31-Mar-22 (Rs.' 000)
a. Capital commitments	-	-
b. Contingent liabilities		
i. Claims against the Company not acknowledged as debts*		
Demand Raised by Tax Authorities		
Income Tax	-	-
Service Tax	600.00	600.00
ii. Guarantees	-	-
iii. Other money for which the Company is contingently liable	-	-

33. As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

34. The Company has exercised the option permitted under Section 115BAA of the income tax act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognized the impact of remeasurement of the Deferred Tax Assets (net) and the current tax during the year.

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

Amount on which DTA not recognised (not DTA value) (Rs.' 000)							
Tax losses (revenue in nature)	Unabsorbed depreciation	Property, Plant and equipment	Provision for employee	Allowance on trade receivables,	Deferred revenue	Share issue expenses	Total
1,110.47	116.11						1,226.58

In terms of our report attached
For M/s. Batra Deepak & Associates
Chartered Accountants
ICAI Firm Registration No.: 005408C

For and on behalf of the Board of Directors of
DRASHTI CABLE NETWORK LIMITED

Praveen Aggrawal
Partner
Membership No. 500027

Anil V John
Director
DIN No: 03493926

Pallab Kumar
Director
DIN :09186577

Date : 10.04.2023

Date : 10.04.2023

Date : 10.04.2023