# Den Malayalam Telenet Private Limited
# Financial Statements
# 2023-24

# INDEPENDENT AUDITOR'S REPORT

## To The Members of DEN Malayalam Telenet Private Limited
## Report on the audit of the Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of DEN Malayalam Telenet Private Limited ("the Company") which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including the Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as " financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March 2024 and its profit (financial performance including Other Comprehensive Income) and its cash flows for the year ended on that date.

### Basis of Opinion

We conducted our audit of the Ind AS Financial statements 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 Ind AS 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 on the Ind AS financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

### Information other than the Financial Statements and Auditors' Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual 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.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), 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) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance 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 regulation 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**

1. As required by the Companies (Audit Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement of matters specified in paragraphs 3 & 4 of the Order, to the extend applicable

2. As required by Section 143 (3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

    c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

    e. On the basis of the written representations received from the directors as on March 31,2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure -B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    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, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations if any as at 31 March 2024 on its financial position in its financial statements. (Refer Note 24C)

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

iii. There are no amounts that are required to be transferred, to the Investor Education and Protection Fund by the Company.

iv.

a) The management has represented that, to the best of its knowledge and belief, 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;

b) The management has represented, that, to the best of it's 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

c) 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 dividend during the financial year.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of accounts which has a feature of recording of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit, we did not come across any instance of audit trail feature being tempered with.

h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, is not applicable as the company is Private company.

For R. Sivaramakrishnan & Co.
Chartered Accountants
F.R.No.007402

R. Sivaramakrishnan FCA
Proprietor
Membership No.205244
UDIN: 24205244BKGVJO2182

Place: Cochin
Date : 11th April, 2024

**ANNEXURE-A to the Independent Auditor's Report on Financial Statements of DEN Malayalam Telenet Private Limited for the year ended 31st March 2024**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory requirements' section our report of even date)**

i. Property, Plant and Equipment

a)

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

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

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment except set top boxes and distribution equipment comprising overhead and underground cables. Management is of the view that it is not possible to verify these assets due to their nature and location.

c) According to the information and explanations given to us there are no immovable property held by the Company, hence this paragraph 3(i) of the order is not applicable to the company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including right to use assets) or intangible assets or both during the year.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made there under.

ii Inventories

a) The Company is a service company, primarily rendering cable system network service and does not have any Physical Inventories Accordingly; requirements under paragraph 3(ii) (a) of the Order are not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits. Therefore, reporting under paragraph 3(ii) (b) of the Order are not applicable.

iii. Investment made or Loan given

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans and advances in in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties, hence the provision of clause 3(iii) (a),(c),(d),(e) and (f) of the Order are not applicable to the Company.

iv. Compliance of Sec. 185 & 186

According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not entered into any transactions in respect of any loans or investment or provided any guarantee or security to the parties covered under Section 185 and 186 of the Act, therefore, paragraph 3(iv) of the order is not applicable to the company.

v. Public Deposit

According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi. Cost Records

The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013 for the business carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable.

vii. Statutory Dues

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income Tax, Labour cess, Professional tax, Property tax, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of wealth tax and Custom duty.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues relating to Income- tax, Sales tax, Service Tax, Value added tax, Goods and service tax or other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix.

a) In our opinion and according to the information and explanations given to us and books of accounts and records examined by us, the Company has not taken any loans or borrowing from any lender.

b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion, and according to the information and explanations given and records examined by us, no term loan was raised by the Company during the year and there is no outstanding term loan at the beginning of the year. Therefore, provision of clause (ix) (c) of paragraph 3 of the Order is not applicable to the Company.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that, prima facie, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates. The Company does not have any joint ventures.

f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and associates. The Company does not have any joint ventures.

x. Application of fund raise through public offer

(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, compliance of section 42 and 62 of the Act does not arise. Accordingly, clause 3(x) (b) of the Order is not applicable.

xi. Fraud

(a) Based on examination of the books and records of the Company 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 the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Company does not require establishment of whistle blower mechanism under section 177 (9) of the Act. Therefore, the provisions of Clause 3 (xi) (c) of the order are not applicable.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) a to c of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the company is a private limited company, it is not required to constitute audit committee hence Section 177 of the Act is not applicable to the company. The company has complied with the provision of section 188 of the Act, where applicable, and the details have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. The company does not have an internal audit system and is not required to have an internal audit system as per the provisions of section 138 of the Companies Act, 2013 are not applicable on the company, thus reporting under clause 3(xiv) of the order is not applicable.

xv. In our opinion and 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 to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

xvi.

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

(b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) In our opinion, and according to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC) as part of the Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016. Therefore, provisions of clause (xvi) (d) of paragraph 3 of the Order are not applicable to the Company.

xvii. In our opinion, and according to the information and explanations provided to us, Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been resignation of statutory auditors during the year, we have taken into consideration the issues, objections, concerns, if any, raised by the outgoing auditor.

xix. According to the information and explanations given to us and 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 causes us to believe that any material uncertainty exists as on the date of the audit report that the 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 up to 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. The Provisions of Section 135 are not applicable to the company during the current financial year therefore, reporting under Clause 3(xx) (a) & (b) of the order is not applicable.

xxi. The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of Standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For R. Sivaramakrishnan & Co.
Chartered Accountants
F.R.No.007402

R. Sivaramakrishnan FCA
Proprietor
Membership No.205244
UDIN: 24205244BKGVJO2182

Place: Cochin
Date : 11th April, 2024

## ANNEXURE B

### TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF DEN MALAYALAM TELENET PRIVATE LIMITED

**Report on the Internal Financial Controls under clause (i) of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls over financial reporting of DEN Malayalam Telenet Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on the date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitation of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, 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 ofIndia"

For R. Sivaramakrishnan & Co.
Chartered Accountants
F.R.No.007402

R. Sivaramakrishnan FCA
Proprietor
Membership No.205244
UDIN: 24205244BKGVJO2182

Place: Cochin
Date : 11th April, 2024

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**BALANCE SHEET AS AT 31st March, 2024**

| Particulars | Note No. | As at 31.03.2024 (Rs.' 000) | As at 31.03.2023 (Rs.' 000) |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Non-Current Assets** | | | |
| (a) Property, plant and equipment | 3 | 0.00 | 11.17 |
| (b) Capital work in progress | | - | - |
| | | 0.00 | 11.17 |
| (c) Financial assets | | | |
| (i) Others financial assets | 4 | 143.35 | 143.35 |
| (d) Non current tax assets | 5 | 10.78 | 6.48 |
| (e) Deferred tax assets (net) | 23 | 837.71 | 830.76 |
| (f) Other non-current assets | 6 | 3.51 | 6.43 |
| | | 995.35 | 998.19 |
| **2. Current Assets** | | | |
| (a) Financial Assets | | | |
| (i) Trade receivables | 7 | 228.31 | 296.96 |
| (ii) Cash and cash equivalents | 8 | 1,725.18 | 1,725.00 |
| (b) Other current assets | 9 | 80.64 | 280.32 |
| | | 2,034.13 | 2,302.28 |
| **Total Assets** | | **3,029.48** | **3,300.47** |
| **B. EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity share capital | 10 | 11,926.81 | 11,926.81 |
| (b) Other equity | 11 | (23,712.75) | (23,954.54) |
| | | (11,785.94) | (12,027.73) |
| **Liabilities** | | | |
| **1. Non-Current Liabilities** | | | |
| (a) Long term provisions | 12 | - | - |
| (b) Other non-current liabilities | 13 | 28.14 | 194.54 |
| **Total non-current liabilities** | | 28.14 | 194.54 |
| **2. Current Liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Trade payables | | | |
| -total outstanding dues to creditors other than micro enterprises and small enterprises | 14 | 14,444.63 | 14,777.93 |
| (ii) Other financial liabilities | 15 | 301.92 | 296.92 |
| (b) Other current liabilities | 16 | 40.73 | 58.81 |
| **Total current liabilities** | | 14,787.28 | 15,133.66 |
| **Total liabilities** | | 14,815.42 | 15,328.20 |
| **Total Equity and Liabilities** | | **3,029.48** | **3,300.47** |
| See accompanying notes forming part of the Ind AS financial statements | 1 to 44 | | |

In terms of our report attached
**R.Sivaramakrishnan & Co**
Chartered Accountants
ICAI Firm Registration No.:007402S

For and on behalf of the Board of Directors of
**DEN MALAYALAM TELENET PRIVATE LIMITED**

R .Sivaramakrishnan
Proprietor
Membership No.205244

Shankar Devarajan
Director
DIN No:02112473

Pauly Jose T
Director
DIN No: 02542560

Place: Cochin
Dated:11-04-2024

Dated:11-04-2024

Dated:11-04-2024

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2024**

| | Particulars | Note No. | For the year ended 31.03.2024 (Rs.' 000) | For the year ended 31.03.2023 (Rs.' 000) |
|---|---|---|---|---|
| **1.** | **REVENUE** | | | |
| | a. Revenue from operations | 17 | 921.84 | 1,481.12 |
| | b. Other income | 18 | 105.39 | 2,168.25 |
| **2.** | **TOTAL REVENUE** | | **1,027.23** | **3,649.37** |
| **3.** | **EXPENSES** | | | |
| | a. Finance costs | 20 | - | - |
| | b. Depreciation | 3 | 11.17 | 25.33 |
| | c. Subscription share/ charges | 19 | 265.09 | 510.47 |
| | d. STB Activation Charges | 19 | 195.60 | 339.82 |
| | e. Other expenses | 21 | 320.53 | 796.00 |
| **4.** | **TOTAL EXPENSES** | | **792.39** | **1,671.62** |
| **5.** | **PROFIT/(LOSS) BEFORE EXCPETIONAL ITEM AND TAX EXPENSE (2-4)** | | 234.84 | 1,977.75 |
| **6.** | Exceptional items | 22 | - | - |
| **7.** | **PROFIT BEFORE TAX (5-6)** | | **234.84** | **1,977.75** |
| **8.** | **TAX EXPENSE** | | | |
| | a. Current tax expense | | - | - |
| | b. Short provision for tax relating to prior years | | - | - |
| | c. Deferred tax | 23 | (6.95) | 180.71 |
| | **NET TAX EXPENSE** | | **(6.95)** | **180.71** |
| **9.** | **PROFIT AFTER TAX (7-8)** | | 241.79 | 1,797.04 |
| **10.** | **Other Compreshensive Income** | | | |
| | (i) Items that will not be reclassified to Profit | | | |
| | -Remeasurements of the defined benefit obligation | | - | - |
| | - Deferred Tax on Remeasurements of the defined benefit obligation | | - | - |
| | **Total other compreshensive income** | | - | - |
| **11.** | **Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (9+10)** | | **241.79** | **1,797.04** |
| **12.** | **Earnings per equity share** | | | |
| | (Face value of Rs. 10 per share) | | | |
| | Basic (Rs. per share) | 28 | 0.20 | 1.51 |
| | Diluted (Rs. per share) | 28 | 0.20 | 1.51 |
| | See accompanying notes forming part of the Ind AS financial statements | 1 to 44 | | |

In terms of our report attached
**R.Sivaramakrishnan & Co**
Chartered Accountants
ICAI Firm Registration No.:007402S

R .Sivaramakrishnan
Proprietor
Membership No.205244

Place: Cochin
Dated:11-04-2024

For and on behalf of the Board of Directors of
**DEN MALAYALAM TELENET PRIVATE LIMITED**

Shankar Devarajan
Director
DIN No:02112473

Dated:11-04-2024

Pauly Jose T
Director
DIN No: 02542560

Dated:11-04-2024

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31at March, 2024**

**A. Equity Share Capital**

(Rs.' 000)

| Particulars | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| Numbers of shares at the Beginning | 11,92,681 | 11,926.81 | 11,92,681 | 11,926.81 |
| Add: Shares issued during the year | - | - | - | |
| Numbers of shares at the End | 11,92,681 | 11,926.81 | 11,92,681 | 11,926.81 |

**B. Other equity**

**For the year ended March 31, 2024** (Rs.' 000)

| | Reserves and Surplus | | | Other comprehensive income | Total |
|---|---|---|---|---|---|
| **Particulars** | **Securities premium** | **Capital Redemption Reserve** | **Retained earnings** | **Actuarial Gain / (Loss)** | |
| Balance at the beginning of the reporting year | 9,101.96 | - | (33,056.50) | - | (23,954.54) |
| Transfer to retained earnings | - | - | 241.79 | - | 241.79 |
| **Balance at the end of the reporting year** | **9,101.96** | **-** | **(32,814.71)** | **-** | **(23,712.75)** |

**For the year ended March 31, 2023**

| | Reserves and Surplus | | | Other comprehensive income | Total |
|---|---|---|---|---|---|
| **Particulars** | **Securities premium** | **Capital Redemption Reserve** | **Retained earnings** | **Actuarial Gain / (Loss)** | |
| Balance at the beginning of the reporting year | 9,101.96 | - | (34,853.54) | - | (25,751.58) |
| Transfer to retained earnings | - | - | 1,797.04 | - | 1,797.04 |
| **Balance at the end of the reporting year** | **9,101.96** | **-** | **(33,056.50)** | **-** | **(23,954.54)** |

In terms of our report attached
**R.Sivaramakrishnan & Co**
Chartered Accountants
ICAI Firm Registration No.:007402S

For and on behalf of the Board of Directors of
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R .Sivaramakrishnan
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Shankar Devarajan
Director
DIN No:02112473

Pauly Jose T
Director
DIN No: 02542560

Place: Cochin
Dated:11-04-2024

Dated:11-04-2024

Dated:11-04-2024

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2024**

| | | For the Year Ended 31.03.2024 (Rs.' 000) | For the Year Ended 31.03.2023 (Rs.' 000) |
|---|---|---|---|
| **A** | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Net Profit before tax | 234.84 | 1,977.75 |
| | **Adjustments for:** | | |
| | Depreciation | 11.17 | 25.33 |
| | Finance costs | - | - |
| | Liabilities/ excess provisions written back (net) | - | 2,084.37 |
| | Provision for doubtful debts | 61.56 | 396.58 |
| | Interest income on Fixed Deposit | (105.39) | (83.88) |
| | **Operating profit before working capital changes** | **202.18** | **4,400.15** |
| | **Changes in working capital:** | | |
| | Adjustments for (increase)/ decrease in operating assets: | | |
| | Trade Receivables | 7.09 | 1,978.77 |
| | Other current financial assets | - | 4,007.65 |
| | Other current non- financial assets | 199.68 | 240.74 |
| | Other non current financial assets | - | (10.00) |
| | Other non current non-financial assets | (1.38) | 173.88 |
| | Adjustments for increase / (decrease) in operating liabilities: | | |
| | Current financial Liabilities | (328.30) | (10,952.01) |
| | Current non-financial Liabilities | (18.08) | (257.78) |
| | Other non current non-financial Liabilities | (166.40) | (339.16) |
| | **Cash generated from operations** | **(105.21)** | **(757.76)** |
| | Taxes paid / (refunds) | - | - |
| | **Net Cash generated from Operating Activities** | (105.21) | (757.76) |
| **B** | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Dividend from long-term investments: | - | - |
| | Interest income on Fixed Deposit | 105.39 | 83.88 |
| | **Net Cash used in Investing Activities** | 105.39 | 83.88 |
| **C** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Repayment of long term borrowings | - | - |
| | Finance costs | - | - |
| | Payment of Equity dividend Iincluding Tax | - | - |
| | Dividend distribution tax paid | - | - |
| | **Net Cash used in Financing Activities** | - | - |
| | **Net Increase/(Decrease) in Cash and Cash Equivalents** | 0.18 | (673.88) |
| | **Cash and Cash Equivalents at the beginning of the year** | 1,725.00 | 2,398.88 |
| | **Cash and Cash Equivalents at the end of the year** | 1,725.18 | 1,725.00 |
| | **Cash and Cash Equivalents at the end of the year comprise of:** | | |
| | Cash on Hand | - | - |
| | Balances with Banks in Current Accounts | 1,725.18 | 1,725.00 |
| | | 1,725.18 | 1,725.00 |

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
**R.Sivaramakrishnan & Co**
ICAI Firm Registration No.:007402S
Chartered Accountants

For and on behalf of the Board of Directors of
**DEN MALAYALAM TELENET PRIVATE LIMITED**

R .Sivaramakrishnan
Proprietor
Membership No.205244

Shankar Devarajan
Director
DIN No:02112473

Pauly Jose T
Director
DIN No: 02542560

Place: Cochin
Dated:11-04-2024

Dated:11-04-2024

Dated:11-04-2024

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

## 1. Background

DEN Malayalam Telenet Private Limited is a Company incorporated in India on 29th Jan 2004. The Company is primarily engaged in providing cable television distribution and other related services. It is a subsidiary of Futustric Media & Entertainment Ltd with effect from 05-08-2022

## 2 Significant accounting policies

### 2.01 Basis of preparation

**(i) Statement of Compliance and basis of preparation**

**(ii) Basis of measurement**

The financial statements have been prepared on a historical cost basis, except for certain financial assets that is measured at FVTPL.

### 2.02 Use of estimates

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

### 2.03 Cash and cash equivalents (for purpose of Cash Flow Statement)

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

### 2.04 Cash flow statement

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

### 2.05 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 recognized 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 derecognized 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 amortization. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

Goodwill on acquisition is included in intangible assets is not amortized but it is tested for impairment annually. The goodwill is carried at cost less accumulated impairment losses.

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

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

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

The management believes that useful lives as given above represent the period over which management expects to use these assets.

Depreciation methods, useful life's and residual values are reviewed at each reporting date and adjusted, if appropriate

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

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

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

**2.06 Revenue recognition**

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

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

**i. Income from operations**

1. Service revenue comprises subscription income from digital and analog subscribers, placement of channels, advertisement revenue, fees for rendering management, technical and consultancy services and other related services. Income from services is recognized based on percentage completion method as per terms of the contract with the customer. Period based services are accrued and recognized pro-rata over the contractual period.

2. Activation fees on Set top boxes (STBs) is recognized on activation of boxes over the life of the STBs. Activation fees received in advance and deferred over the period of life of the STB has been considered as deferred revenue in current and non-current liabilities at respective places.

3. Amounts billed for services in accordance with contractual terms but where revenue is not recognized, have been classified as advance billing and disclosed under current liabilities.

**ii. Sale of equipment**

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

**2.07 Other income**

Interest income from a financial asset is recognized 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,. Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

**2.08 Foreign exchange gains and losses**

The functional currency for the Company is INR 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, i.e. INR which is also presentation currency of the company.

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

Treatment of exchange differences

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

**2.09 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**2.09.1 Initial recognition**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**2.09.2 Subsequent measurement**

**(i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising at the time of subsequent measurement are recognising in the statement of profit or loss.

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

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

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

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

**(iv) Financial liabilities**

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

**(v) Derecognition of financial assets/liabilities**

If financial assets is primarily derecognized when the right to receive the cash flows from the assets has expired or the company has transferred the rights to receive cash flows from the assets. IF financial liabilities is derecognized when the obligation under the liability is discharged or cancelled or expired.

**(vi) Impairment of financial assets**

In accordance with IND AS 109, the company applies expected credit loss method (ECL) for measurement and recognition impairment loss on the financial assets that are debt instruments and trade receivables.

**(vii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.10 Employee benefits**

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

**a. Defined contribution plans**

The Company's contribution employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The company pays provident fund contributions to publically administered provident funds as per local regulations. The company has no further payment obligations once the contributions has been paid. The contribution accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due.

**b. Defined benefit plans**

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Measurement of the net defined benefit liability, which comprises actuarial gains and losses are recognised immediately in other comprehensive income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**c. Short term employee benefits**

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

**d. Other Long term employee benefits**

The Liabilities for earned leave and sick leave are not expected to settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of service provided by the employees upto end of the reporting period using the projected unit credit method.

The benefits are using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit & Loss. The Obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**2.11 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

**2.12 Leases**

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

**2.13 Earnings per share**

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

**2.14 Taxes on income**

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

**2.14.1 Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current income tax relating to items recognized directly in the equity is recognised in equity and not in statement of profit and loss." The Company current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**2.14.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit using balance sheet approach. 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 relating to items recognised in other comprehensive income and directly in equity is recognised in correlation to the underlying transaction."

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

Deferred Tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the end of the reporting period. Further the carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient profit will be available

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

**2.15 Impairment of assets**

**2.15.1 Financial Assets**

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

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

**2.15.2 Non financial assets**

**Intangible assets and property, plant and equipment Property plant**

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

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

**2.16 Provisions and contingencies**

A provision is recognised if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

**2.17 Share issue expenses**

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

**2.18 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.

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**2.19 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.

Control and significant influence

Whether the Company, through voting rights and potential voting rights attached to shares held, or by way of shareholders agreements or other factors, has the ability to direct the relevant activities of the subsidiaries, or jointly direct the relevant activities of its joint ventures or exercise significant influence over associates.

**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.

Useful lives of property, plant and equipment

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.

Fair value measurements and valuation processes

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

Revenue recognition

See note 2 above

Impairment testing of investments

Key assumptions related to weighted average cost of capital (WACC) and long-term growth rates.

Classification of Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that crate an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**2.20 Fair value measurement**

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

**2.21 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/ utilizing the credits.

**2.22 Operating Cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization 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.

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**2.23 Current Versus 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 realized or intended to be sold or consumed in normal operating cycle

2 Held primarily for the purpose of trading

3 Expected to be realized 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.

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

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

| | | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|
| **Carrying amounts of :** | | | |
| **a)** | Leasehold Improvements | - | - |
| **b)** | Plant and equipment | | |
| | (i) Headend and distribution equipment | 0.00 | 11.17 |
| | (iii) Computers | - | - |
| | (iv) Office and other equipment | - | - |
| **c)** | Furniture and fixtures | - | - |
| | Vehicles | - | - |
| | | **0.00** | **11.17** |
| **d)** | Capital work-in-progress | - | - |
| | | **0.00** | **11.17** |

| | Plant and equipment | | | |
|---|---|---|---|---|
| | Headend and distribution equipment | Computers | Vehicles | Total |
| **Gross Block** | | | | - |
| Balance at 1 April, 2022 | **2,935.88** | **13.84** | **91.96** | **3,041.68** |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| **Balance at 31 March, 2023** | **2,935.88** | **13.84** | **91.96** | **3,041.68** |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| **Balance at 31 March, 2024** | **2,935.88** | **13.84** | **91.96** | **3,041.68** |
| **Accumulated depreciation** | | | | |
| Balance at 1 April, 2022 | **(2,899.38)** | **(13.84)** | **(91.96)** | **(3,005.18)** |
| Depreciation expenses | (25.33) | - | - | **(25.33)** |
| Elimination on disposals of assets | - | - | - | - |
| **Balance at 31 March, 2023** | **(2,924.71)** | **(13.84)** | **(91.96)** | **(3,030.51)** |
| Depreciation expenses | (11.17) | - | - | **(11.17)** |
| Eliminated on disposals of assets | - | - | - | - |
| **Balance at 31 March, 2024** | **(2,935.88)** | **-** | **(91.96)** | **(3,041.68)** |
| **Provision for Impairment** | | | | |
| Balance at 1 April, 2022 | - | - | - | - |
| Impairment expenses | - | - | - | - |
| **Balance at 31 March, 2023** | - | - | - | - |
| Impairment expenses | - | - | - | - |
| **Balance at 31 March, 2024** | - | - | - | - |
| **Carrying amount** | | | | |
| Balance at 1 April, 2022 | 36.50 | - | - | **36.50** |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| Depreciation expenses | (25.33) | - | - | **(25.33)** |
| **Balance at 31 March, 2023** | **11.17** | - | - | **11.17** |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| Depreciation expense | (11.17) | - | - | **(11.17)** |
| Impairment expenses | - | - | | - |
| **Balance at 31 March, 2024** | **0.00** | - | - | **0.00** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

| | Particulars | As at 31.03.2024 (Rs.' 000) | As at 31.03.2023 (Rs.' 000) |
|---|---|---|---|
| **4.** | **Other financial assets** | | |
| | **Considered good** | | |
| | a. Security deposits | 143.35 | 143.35 |
| | b. Advance for investments | - | - |
| | | **143.35** | **143.35** |
| **5.** | **Non current tax assets** | | |
| | a. Advance tax | 10.78 | 6.48 |
| | | **10.78** | **6.48** |
| **6.** | **Other non-current assets** | | |
| | a. Deposits against cases with | | |
| | i. GST credit receivable | 3.51 | 6.43 |
| | | **3.51** | **6.43** |
| **7.** | **Trade receivables** | | |
| | Trade Receivables considered good - Unsecured; | 228.31 | 296.96 |
| | Trade Receivables which have significant increase in Credit Risk | - | - |
| | Trade Receivables - credit impaired | 14,689.54 | 14,627.98 |
| | | 14,917.85 | 14,924.94 |
| | Less : Provision for doubtful debts / expected credit loss | (14,689.54) | (14,627.98) |
| | | **228.31** | **296.96** |

**Notes:**

**a)** The average credit period on sales of services is 0-180 days. No interest is charged on any overdue trade receivables.

**b)** The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

| **Ageing** | **Expected credit loss (%)** |
|---|---|
| 0 - 90 days | 0.1% - 18% |
| 91 - 180 days | 1% - 50% |
| 180 days and above | 50% - 100% |

**Trade Receivbale ageing as at 31st March 2024** (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 | 52.45 | - | - | 175.86 | - | **228.31** |
| **Total** | **52.45** | **-** | **-** | **175.86** | **-** | **228.31** |

**Trade Receivbale 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 | 118.10 | - | - | 178.86 | - | **296.96** |
| **Total** | **118.10** | **-** | **-** | **178.86** | **-** | **296.96** |

**c) Movement in the expected credit loss allowance**

| | 31.03.2024 | 31.03.2023 |
|---|---|---|
| Balance at the beginning of the | 14,627.98 | 16,039.00 |
| Movement in expected credit loss allowance | 61.56 | (1,411.02) |
| **Balance at the end of the year** | **14,689.54** | **14,627.98** |

**d)** The concentration of credit risk is limited due to the fact that the customer base is large.

| | Particulars | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|
| **8.** | **Cash and cash equivalents** | | |
| | (i) Cash in hand | - | - |
| | (ii) Balance with scheduled banks | | |
| | - in current accounts | 8.97 | 101.05 |
| | - in deposit accounts | 1,716.21 | 1,623.95 |
| | - original maturity of 3 months or less | - | - |
| | | **1,725.18** | **1,725.00** |
| **9.** | **Other current assets** | | |
| | a. Prepaid expenses | 80.64 | 280.32 |
| | | **80.64** | **280.32** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

| Particulars | As at 31.03.2024 (Rs.' 000) | As at 31.03.2023 (Rs.' 000) |
|---|---|---|
| **10. EQUITY SHARE CAPITAL** | | |
| **A. AUTHORISED** | | |
| 12,00,000 Equity Shares of Rs. 10/- each, Previous year 12,00,000 Equity Shares of Rs. 10/- each | 12,000.00 | 12,000.00 |
| | **12,000.00** | **12,000.00** |
| **B. ISSUED, SUBSCRIBED AND FULLY PAID UP** | | |
| 11,92,681 Equity Shares of Rs. 10/- each, fully paid up, Previous year 11,92,681 Equity shares of Rs 10 each | 11,926.81 | 11,926.81 |
| | **11,926.81** | **11,926.81** |

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

| Particulars | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| Numbers of shares at the Beginning | 11,92,681 | 11,926.81 | 11,92,681 | 11,926.81 |
| Add: Shares issued during the year | - | - | - | |
| Numbers of shares at the End | 11,92,681 | 11,926.81 | 11,92,681 | 11,926.81 |

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

| Particulars | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| | No of shares | Amount | No of shares | Amount |
| Futustric Media & Entertainment Ltd | 6,08,265 | 6,082.65 | 6,08,265 | 6,082.65 |

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

| Name of Shareholder | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| | No of shares | % Holding | No of shares | % Holding |
| Futustric Media & Entertainment Ltd | 6,08,265 | 51.00% | 6,08,265 | 51.00% |
| Sajan Malayil | 64,934 | 5.44% | 64,934 | 5.44% |
| R Prasad | 64,933 | 5.44% | 64,933 | 5.44% |
| **Total** | **7,38,132** | | **7,38,132** | |

**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) Share Holding Details of Promotor**

| **As at 31st March, 2024** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **S. No.** | **Class of Equity Shares** | **Promoter's Name** | **Nos. of shares at the beginning of the year (01.04.2023)** | **Change During the year** | **Nos. of shares at the end of the year (31.03.2024)** | **% of total shares** | **% Change during the year** |
| 1 | Equity | Futuristic Media & Entertainment LTD | 6,08,265 | - | 6,08,265 | 51.00 | - |
| 2 | Equity | U.N. Bhasi | 32,467 | - | 32,467 | 2.72 | - |
| 3 | Equity | Pauly Jose T. | 32,467 | - | 32,467 | 2.72 | - |
| 4 | Equity | Sajan Malayii | 64,934 | - | 64,934 | 5.44 | - |
| 5 | Equity | R. Prasad | 64,933 | - | 64,933 | 5.44 | - |
| 6 | Equity | Manoj S. | 16,234 | - | 16,234 | 1.36 | - |
| 7 | Equity | Martin D,Souza | 16,234 | - | 16,234 | 1.36 | - |
| 8 | Equity | O. Narayanan | 16,234 | - | 16,234 | 1.36 | - |
| 9 | Equity | Sohandas T.M. | 16,234 | - | 16,234 | 1.36 | - |
| 10 | Equity | Jayanthi C. | 16,234 | - | 16,234 | 1.36 | - |
| 11 | Equity | Joseph John | 16,234 | - | 16,234 | 1.36 | - |
| 12 | Equity | Sanoj K.J. | 16,234 | - | 16,234 | 1.36 | - |
| 13 | Equity | Anitha S. Shenoy | 16,234 | - | 16,234 | 1.36 | - |
| 14 | Equity | Anoop T.U | 16,234 | - | 16,234 | 1.36 | - |
| 15 | Equity | Mohanan P.R. | 16,234 | - | 16,234 | 1.36 | - |
| 16 | Equity | V. Ramakrishnan | 16,234 | - | 16,234 | 1.36 | - |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

| As at 31st March, 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **S. No.** | **Class of Equity Shares** | **Promoter's Name** | **Nos. of shares at the beginning of the year (01.04.2023)** | **Change During the year** | **Nos. of shares at the end of the year (31.03.2024)** | **% of total shares** | **% Change during the year** |
| 17 | Equity | Sainudheen A.A. | 16,234 | - | 16,234 | 1.36 | - |
| 18 | Equity | P.N. Suresh | 16,234 | - | 16,234 | 1.36 | - |
| 19 | Equity | C.G. Ramachandran | 16,234 | - | 16,234 | 1.36 | - |
| 20 | Equity | K.K. Ramakrishnan | 16,234 | - | 16,234 | 1.36 | - |
| 21 | Equity | C.B. Manoj Kumar | 16,234 | - | 16,234 | 1.36 | - |
| 22 | Equity | Martin Joseph | 16,234 | - | 16,234 | 1.36 | - |
| 23 | Equity | Hemaraj T.R. | 13,528 | - | 13,528 | 1.13 | - |
| 24 | Equity | V. Gopalakrishnan | 13,528 | - | 13,528 | 1.13 | - |
| 25 | Equity | K.N. Velayudhan | 16,234 | - | 16,234 | 1.36 | - |
| 26 | Equity | Muhamad Raphi | 16,234 | - | 16,234 | 1.36 | - |
| 27 | Equity | George Henry C.J | 16,234 | - | 16,234 | 1.36 | - |
| 28 | Equity | Beena Joy | 16,234 | - | 16,234 | 1.36 | - |
| 29 | Equity | T.D. Anchalose | 5,411 | - | 5,411 | 0.45 | - |
| 30 | Equity | Joseph N.R. | 16,234 | - | 16,234 | 1.36 | - |
| | | **Total** | **11,92,681** | **-** | **11,92,681** | **99.95** | **-** |

| As at 31st March 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **S. No.** | **Class of Equity Shares** | **Promoter's Name** | **No. of shares at the beginning of the year (01.04.2022)** | **Change During the year** | **Nos. of shares at the end of the year (31.03.2023)** | **% of total shares** | **% Change during the year** |
| 1 | Equity | DEN Networks Limited | 6,08,265 | -608265 | - | 0.00 | -100% |
| 2 | Equity | U.N. Bhasi | 32,467 | - | 32,467 | 2.72 | - |
| 3 | Equity | Pauly Jose T. | 32,467 | - | 32,467 | 2.72 | - |
| 4 | Equity | Sajan Malayii | 64,934 | - | 64,934 | 5.44 | - |
| 5 | Equity | R. Prasad | 64,933 | - | 64,933 | 5.44 | - |
| 6 | Equity | Manoj S. | 16,234 | - | 16,234 | 1.36 | - |
| 7 | Equity | Martin D,Souza | 16,234 | - | 16,234 | 1.36 | - |
| 8 | Equity | O. Narayanan | 16,234 | - | 16,234 | 1.36 | - |
| 9 | Equity | Sohandas T.M. | 16,234 | - | 16,234 | 1.36 | - |
| 10 | Equity | Jayanthi C. | 16,234 | - | 16,234 | 1.36 | - |
| 11 | Equity | Joseph John | 16,234 | - | 16,234 | 1.36 | - |
| 12 | Equity | Sanoj K.J. | 16,234 | - | 16,234 | 1.36 | - |
| 13 | Equity | Anitha S. Shenoy | 16,234 | - | 16,234 | 1.36 | - |
| 14 | Equity | Anoop T.U | 16,234 | - | 16,234 | 1.36 | - |
| 15 | Equity | Mohanan P.R. | 16,234 | - | 16,234 | 1.36 | - |
| 16 | Equity | V. Ramakrishnan | 16,234 | - | 16,234 | 1.36 | - |
| 17 | Equity | Sainudheen A.A. | 16,234 | - | 16,234 | 1.36 | - |
| 18 | Equity | P.N. Suresh | 16,234 | - | 16,234 | 1.36 | - |
| 19 | Equity | C.G. Ramachandran | 16,234 | - | 16,234 | 1.36 | - |
| 20 | Equity | K.K. Ramakrishnan | 16,234 | - | 16,234 | 1.36 | - |
| 21 | Equity | C.B. Manoj Kumar | 16,234 | - | 16,234 | 1.36 | - |
| 22 | Equity | Martin Joseph | 16,234 | - | 16,234 | 1.36 | - |
| 23 | Equity | Hemaraj T.R. | 13,528 | - | 13,528 | 1.13 | - |
| 24 | Equity | V. Gopalakrishnan | 13,528 | - | 13,528 | 1.13 | - |
| 25 | Equity | K.N. Velayudhan | 16,234 | - | 16,234 | 1.36 | - |
| 26 | Equity | Muhamad Raphi | 16,234 | - | 16,234 | 1.36 | - |
| 27 | Equity | George Henry C.J | 16,234 | - | 16,234 | 1.36 | - |
| 28 | Equity | Beena Joy | 16,234 | - | 16,234 | 1.36 | - |
| 29 | Equity | T.D. Anchalose | 5,411 | - | 5,411 | 0.45 | - |
| 30 | Equity | Joseph N.R. | 16,234 | - | 16,234 | 1.36 | - |
| 31 | Equity | Futuristic Media & Entertainment Ltd | - | 6,08,265 | 6,08,265 | 51.00 | 100% |
| | | **Total** | **11,92,681** | **-** | **11,92,681** | **99.95** | |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**11. Other Equity**
**For the year ended March 31, 2024** **(Rs.' 000)**

| | Reserves and Surplus | | | | Other comprehensive income | Total |
|---|---|---|---|---|---|---|
| **Particulars** | **Securities premium** | **General reserve** | **Equity-settled employee benefits reserve** | **Retained earnings** | **Actuarial Gain / (Loss)** | |
| Balance at the beginning of the reporting year | 9,101.96 | - | - | (33,056.50) | - | (23,954.54) |
| Transfer to retained earnings | - | - | - | 241.79 | - | 241.79 |
| **Balance at the end of the reporting year** | **9,101.96** | **-** | **-** | **(32,814.71)** | **-** | **(23,712.75)** |

**Other Equity**
**For the year ended March 31, 2023**

| | Reserves and Surplus | | | | Other comprehensive income | Total |
|---|---|---|---|---|---|---|
| **Particulars** | **Securities premium** | **General reserve** | **Equity-settled employee benefits reserve** | **Retained earnings** | **Actuarial Gain / (Loss)** | |
| Balance at the beginning of the reporting year | 9,101.96 | - | - | (34,853.54) | - | (25,751.58) |
| Transfer to retained earnings | - | - | - | 1,797.04 | - | 1,797.04 |
| **Balance at the end of the reporting year** | **9,101.96** | **-** | **-** | **(33,056.50)** | **-** | **(23,954.54)** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

| Particulars | As at 31.03.2024 (Rs.' 000) | As at 31.03.2023 (Rs.' 000) |
|---|---|---|
| **12. Provisions** | | |
| **Non-current** | | |
| a. Employee benefits | | |
| - Gratuity | - | - |
| - Compensated absences | - | - |
| | **-** | **-** |
| **13. Other non-current liabilities** | | |
| **Others Liabilities:** | | |
| a. Security deposits received | - | - |
| b. Advances from customers | - | - |
| c. Deferred revenue | 28.14 | 194.54 |
| | **28.14** | **194.54** |
| **14. Trade payables** | | |
| Trade payables - Other than acceptances | | |
| - total outstanding dues of micro enterprises and small enterprises (See note no. -28) | - | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | - | - |
| -Payable for goods and services | 14,444.63 | 14,777.93 |
| | **14,444.63** | **14,777.93** |

Trade Payable ageing as at 31st March 2024 **(Rs.' 000)**

| **Particulars** | **Outstanding from due date of payment** | | | | **Total** |
|---|---|---|---|---|---|
| | **< 1 year** | **1-2 years** | **2-3 years** | **>3 years** | |
| (i) MSME | - | - | - | - | **-** |
| (ii) Others | 194.93 | 247.65 | 14,002.05 | - | **14,444.63** |
| (iii) Disputed-MSME | - | - | - | - | **-** |
| (iv) Disputed-Others | - | - | - | - | **-** |
| **Total** | 194.93 | 247.65 | 14,002.05 | - | 14,444.63 |

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 | 244.70 | - | 14,533.23 | - | **14,777.93** |
| (iii) Disputed-MSME | - | - | - | - | **-** |
| (iv) Disputed-Others | - | - | - | - | **-** |
| **Total** | **244.70** | **-** | **14,533.23** | **-** | **14,777.93** |

| Particulars | As at 31.03.2024 (Rs.' 000) | As at 31.03.2023 (Rs.' 000) |
|---|---|---|
| **15. Other financial liabilities** | | |
| a. Interest accrued | - | - |
| b. Others | **-** | **-** |
| i. Payable for Expenses | 301.92 | 296.92 |
| | **301.92** | **296.92** |
| **16. Other liabilities** | | |
| **Current** | | |
| a. Deferred revenue | 23.27 | 33.74 |
| b. Statutory remittances | 17.46 | 25.07 |
| c. Other payables | | |
| i. Advances from customers | - | - |
| | **40.73** | **58.81** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

| | | Particulars | For the year ended 31.03.2024 (Rs.' 000) | For the year ended 31.03.2023 (Rs.' 000) |
|---|---|---|---|---|
| **17.** | | **REVENUE FROM OPERATIONS** | | |
| | a. | Sale of services (See note below) | 921.84 | 1,481.12 |
| | i. | Liabilities/ excess provisions written back | - | - |
| | ii. | Miscellaneous income | - | - |
| | | | **921.84** | **1,481.12** |
| | | **Note:** | | |
| | | Sale of services comprises: | | |
| | a. | Placement income | - | - |
| | b. | Subscription income | 755.08 | 1,286.57 |
| | c. | Activation income | 166.40 | 194.17 |
| | d. | Feeder charges income | - | - |
| | e. | Leaseline Income | - | - |
| | f. | Other income | 0.36 | 0.38 |
| | | | **921.84** | **1,481.12** |
| **18.** | | **OTHER INCOME** | | |
| | a. | Interest income | | |
| | i. | on fixed deposits | 105.39 | 83.88 |
| | b. | Liabilities/ excess provisions written back | - | 2,084.37 |
| | c. | OTHER INCOMEProfit on sale of fixed assets | - | - |
| | | | **105.39** | **2,168.25** |
| **19.** | | **Subscription share charges STB Activation Charges** | | |
| | a. | Subscription share/ charges | 265.09 | 510.47 |
| | b. | STB Activation Charges | 195.60 | 339.82 |
| | | | **460.69** | **850.29** |
| **20.** | | **FINANCE COSTS** | | |
| | a. | Other borrowing costs | - | - |
| | | | **-** | **-** |
| **21.** | | **OTHER EXPENSES** | | |
| | a. | Distributor commission/ incentive | - | - |
| | b. | Rent and hire charges | 48.00 | 98.28 |
| | c. | Repairs and maintenance | | |
| | i. | Plant and machinery | 12.00 | 12.00 |
| | ii. | Others | - | - |
| | d. | Electricity expense | 24.00 | 36.00 |
| | e. | Consultancy, professional and legal charges* | 107.20 | 125.77 |
| | f. | Travelling and conveyance | 48.00 | 108.00 |
| | g. | Rates and taxes | 19.12 | 11.00 |
| | h. | Provision for doubtful debts | 61.56 | - |
| | i. | Bad debts written off | - | 396.58 |
| | j. | Miscellaneous expenses | 0.65 | 8.37 |
| | | | **320.53** | **796.00** |
| | | * Consultancy, professional and legal charges includes Auditor's remuneration as under : | | |
| | a. | To statutory auditors | | |
| | | : Statutory audit fee | 55.00 | 55.00 |
| | | : Tax audit fee | - | - |
| | | : Others | 27.00 | 27.00 |
| | | | **82.00** | **82.00** |
| **22.** | | **EXCEPTIONAL ITEM** | | |
| | a. | Provision for Impairment of property , plant and equipment | - | - |
| | | | **-** | **-** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**23. Current Tax and Deferred Tax**

**(a) Income Tax Expense**

| Particulars | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|
| **Current Tax:** | | |
| Current Income Tax Charge | - | - |
| **Deferred Tax** | | |
| In respect of current year origination and reversal of temporary differences | (6.95) | 180.71 |
| **Total Tax Expense recognised in profit and loss account** | **(6.95)** | **180.71** |
| Deferred tax in respect of reversal of temporary differences considered in exceptional items | - | - |
| **Total Tax Expense including exceptional items** | **(6.95)** | **180.71** |

**(b) Income Tax on Other Comprehensive Income**

**(Rs.' 000)**

| Particulars | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|
| **Deferred Tax** | | |
| Remeasurement of Defiend Benefit Obligaitons | - | - |
| **Total** | **-** | **-** |

**(c) Movement of Deferred Tax**

**(i) Movement of Deferred Tax for 31.03.2024** **(Rs.' 000)**

| Particulars | Year ended 31.03.2024 | | |
|---|---|---|---|
| | As at 01.04.2023 | Recognised in statement of profit and Loss | As at 31.03.2024 |
| Tax effect of items constituting deferred tax liabilities | | | |
| Property, Plant and Equipment | 849.26 | - | 849.26 |
| Other financial asset | (18.50) | 6.95 | (11.55) |
| Derivatives | - | - | - |
| Other Items | - | - | - |
| | **830.76** | **6.95** | **837.71** |
| Tax effect of items constituting deferred tax assets | | | |
| Employee Benefits - Gratuity | - | - | - |
| Doubtful debts | - | - | - |
| Other financial asset | - | - | - |
| | **-** | **-** | **-** |
| **Net Tax Asset (Liabilities)** | **830.76** | **6.95** | **837.71** |

**(i) Movement of Deferred Tax for 31.03.2023**

| Particulars | Year ended 31.03.2023 | | |
|---|---|---|---|
| | As at 01.04.2022 | Recognised in statement of profit and Loss | As at 31.03.2023 |
| Tax effect of items constituting deferred tax liabilities | | | |
| Property, Plant and Equipment | 902.07 | (52.81) | 849.26 |
| Intangible Assets | - | - | - |
| Other financial asset | 73.89 | (92.39) | (18.50) |
| Other Items | (52.81) | 52.81 | - |
| | **923.15** | **(92.39)** | **830.76** |
| Tax effect of items constituting deferred tax assets | | | |
| Employee Benefits - Gratuity | 88.32 | (88.32) | - |
| Other Items | - | - | - |
| Financial Assets | - | - | - |
| | **88.32** | **(88.32)** | **-** |
| **Net Tax Asset (Liabilities)** | **1,011.47** | **(180.71)** | **830.76** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

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

(Rs.' 000)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|---|---|---|---|
| | Amount | Tax Rate | Amount | Tax Rate |
| **Profit Before Exceptional items and tax expenes** | **234.84** | **25.17%** | **1,977.75** | **25.17%** |
| Exceptional items | - | | - | |
| **Profit Before tax expenses** | **234.84** | | **1,977.75** | |
| Tax on above | 59.10 | | 497.76 | |
| **Tax Impacts of the followings** | | | | |
| Permanent Differences | - | | - | |
| DTA w/off included in exceptional items | - | | - | |
| Short provision for tax relating to prior years | - | | - | |
| CF Losses used | - | | (69.19) | |
| Unused Tax Losses not recognized as Deferred Tax Asset | 16.08 | | - | |
| Related to Property, Plant & Equipment | (98.03) | | (109.87) | |
| Related to Deferred Revenue | 0.41 | | 129.05 | |
| Effect of expenses that are not deductible in determining taxable profit | 15.49 | | (267.04) | |
| | **(6.95)** | | **180.71** | |
| **Tax Expense debited to P&L A/c** | | | | |
| Current Tax | - | | - | |
| Deferred Tax | (6.95) | | 180.71 | |
| Deferred Tax in exceptional items | - | | - | |
| **Tax Expense** | (6.95) | | 180.71 | |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

| | Particulars | Year ended 31.03.2024 (Rs.' 000) | Year ended 31.03.2023 (Rs.' 000) |
|---|---|---|---|
| **24.** | **Income taxes** | | |
| **A** | **Income tax recognised in Statement of Profit and Loss** | | |
| **(a)** | **Current tax** | | |
| | In respect of current year | - | - |
| | In respect of prior years | - | - |
| | | - | - |
| **(b)** | **Deferred tax** | | |
| | In respect of current year | (6.95) | 180.71 |
| | Write-downs (reversals of previous write-downs) of deferred tax assets | - | - |
| | | (6.95) | 180.71 |
| | **Total tax expense charged/(credited) in Statement of Profit and Loss** | **(6.95)** | **180.71** |
| **(c)** | **The income tax expense for the year can be reconciled to the accounting profit as follows:** | | |
| | Profit/(Loss) before tax | 234.84 | 1977.75 |
| | Less: | | |
| | Share of profit / (loss) of associates | - | - |
| | Share of profit / (loss) of joint venture | - | - |
| | | **234.84** | **1,977.75** |
| | Income tax expense calculated | 59.10 | 497.76 |
| | - Permanent Differences | - | - |
| | Timing Difference relating to earlier years or due to change of rate of tax : | 16.08 | |
| | - Related to Property, Plant & Equipment | (98.03) | (109.87) |
| | - Related to Deferred Revenue | 0.41 | 129.05 |
| | - Effect of expenses that are not deductible in determining taxable profit | 15.49 | (267.04) |
| | - Effect on deferred tax balances due to the change in income tax rates | - | - |
| | - Carried forward losses utilised | - | (69.19) |
| | | **(6.95)** | **180.71** |
| | Adjustments recognised in the current year in relation to the current tax of prior years | - | - |
| | **Total tax expense charged/(credited) in Statement of Profit and Loss** | **(6.95)** | **180.71** |
| **(d)** | **Unrecognised deductible temporary differences, unused tax losses and unused tax credits:** | | |
| | 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) | 3,001.83 | 3,001.83 |
| | unabsorbed depreciation (revenue in nature) | 5,878.14 | 5,814.24 |
| | deductible temporary differences: | - | - |
| | - Property, plant and equipment and other intangible assets | - | - |
| | - Provision for employee benefits | - | - |
| | - Impairment allowance for doubtful balances | - | - |
| | - Deferred revenue | - | - |
| | | **8,879.97** | **8,816.07** |

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

| | | |
|---|---|---|
| Deferred tax assets with no expiry date | 5,878.14 | 5,814.24 |
| Deferred tax assets with expiry date | 3,001.83 | 3,001.83 |
| | **8,879.97** | **8,816.07** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**25.** Managerial remuneration forming part of employee benefits expense for the year ended 31 March, 2024 is Rs. Nil [Previous year Rs.Nil].

**26. Operating Lease**

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

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

| | Particulars | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|---|
| | | (Rs.' 000) | (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.

**28. Earnings per equity share (EPS)**

| | Particulars | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|---|
| a. | Net Profit attributable to equity shareholders (Rs. '000) | 241.79 | 1,797.04 |
| b. | Weighted average number of equity shares outstanding used in computation of basic EPS | 11,92,681 | 11,92,681 |
| c. | Basic Profit per equity share of Rs. 10 each (in Rs.) | 0.20 | 1.51 |
| d. | Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS | 11,92,681 | 11,92,681 |
| e. | Diluted Earnings per equity share of Rs. 10 each (in Rs.) | 0.20 | 1.51 |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**29. Related Party Disclosures**

**I. List of related parties**

**a Holding Company**

1 Futuristic Media & Entertainment Ltd
2 Den Networks Ltd*

* DEN Network is the Holding company of Futuristic Media & Entertainment Ltd

**b Persons having substansial interest in the company**

| | | |
|---|---|---|
| 1 | Sajan Malayil | Director |
| 2 | Pauly Jose T | Director |

**c Key managerial personnel/Director**

| | | |
|---|---|---|
| 1 | Sajan Malayil | Director |
| 2 | Pauly Jose T | Director |
| 3 | Shankar devarajan | Director |
| 4 | Renju Joshi Vattappillil | Director |
| 5 | Baiju Philip | Director |

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

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

| **Particulars** | **Futustric Media & Entertainment Ltd (Holding Company)** | **Den Networks Ltd (Holding Company of Futuristic Media & Entertainment Ltd)** | **Grand total** |
|---|---|---|---|
| **A. Transactions during the year** | | | |
| **i Other expenses** | | | |
| For the Year ended 31 March, 2024 | - | 12.00 | **12.00** |
| For the Year ended 31 March, 2023 | - | (12.00) | **(12.00)** |
| **ii Subscription share charges** | | | |
| For the Year ended 31 March, 2024 | - | 265.09 | **265.09** |
| For the Year ended 31 March, 2023 | - | (510.47) | **(510.47)** |
| **iii Reimbursements** | | | |
| For the Year ended 31 March, 2024 | - | - | **-** |
| For the Year ended 31 March, 2023 | - | - | **-** |
| **B. Outstanding balances at year end** | | | |
| **i. Trade payables** | | | |
| For the Year ended 31 March, 2024 | 48.18 | 13,078.94 | **13,127.12** |
| For the Year ended 31 March, 2023 | (35.38) | (13,559.99) | **(13,595.37)** |
| **ii. Trade receivables** | | | |
| For the Year ended 31 March, 2024 | 175.86 | - | **175.86** |
| For the Year ended 31 March, 2023 | (178.86) | - | **(178.86)** |
| **iii. Pre -Paid expenses** | | | |
| For the Year ended 31 March, 2024 | **-** | 8.21 | **8.21** |
| For the Year ended 31 March, 2023 | - | (12.30) | **(12.30)** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

## 30. 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 31.03.2024** **(Rs.' 000)**

| Financial assets | Amortised Cost | FVTOCI | FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 1,725.18 | - | - | 1,725.18 |
| Trade receivables | 228.31 | - | - | 228.31 |
| Security deposits | 143.35 | - | - | 143.35 |
| Investments | - | - | - | - |
| Current Loans | - | - | - | - |
| Bank Balances | - | - | - | - |
| Other current financial assets | - | - | - | - |
| | **2,096.84** | **-** | **-** | **2,096.84** |

| Financial liabilities | Amortised Cost | FVTOCI | FVTPL | Total carrying value |
|---|---|---|---|---|
| Trade payables | 14,444.63 | - | - | 14,444.63 |
| Other current financial liabilities | 301.92 | - | - | 301.92 |
| | **14,746.55** | **-** | **-** | **14,746.55** |

**As at 31.03.2023**

| Financial assets | Amortised Cost | FVTOCI | FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 1,725.00 | - | - | 1,725.00 |
| Trade and other receivables | 296.96 | - | - | 296.96 |
| Security deposits | 143.35 | - | - | 143.35 |
| Advance for investments | - | - | - | - |
| Investments | - | - | - | - |
| Current Loans | - | - | - | - |
| Bank Balances | - | - | - | - |
| Other current financial assets | - | - | - | - |
| | **2,165.31** | **-** | **-** | **2,165.31** |

| Financial liabilities | Amortised Cost | FVTOCI | FVTPL | Total carrying value |
|---|---|---|---|---|
| Trade payables | 14,777.93 | - | - | 14,777.93 |
| Other current financial liabilities | 296.92 | - | - | 296.92 |
| | **15,074.85** | **-** | **-** | **15,074.85** |

### (b) Risk management framework

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

**Market Risk**

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

**Liquidity risk**

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

**(Rs.' 000)**

| As at 31.03.2024 | <1 year | > 1 Year | Total |
|---|---|---|---|
| Current | | | |
| - Trade payables | 14,444.63 | - | 14,444.63 |
| - Other current financial liabilities | 301.92 | - | 301.92 |
| **Total** | **14,746.55** | **-** | **14,746.55** |

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

| As at 31.03.2023 | <1 year | > 1 Year | Total |
|---|---|---|---|
| Current | | | |
| - Trade payables | 14,777.93 | - | 14,777.93 |
| - Other current financial liabilities | 296.92 | - | 296.92 |
| **Total** | **15,074.85** | **-** | **15,074.85** |

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

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

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

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

**(Rs.' 000)**

| As at 31.03.2024 | Due less than 6 months | Due greater than 6 months | Total |
|---|---|---|---|
| Trade Receivables | 52.45 | 175.86 | 228.31 |
| Security Deposits | - | 143.35 | 143.35 |
| Current Loans | - | - | - |
| Advance for investment | - | - | - |
| Investments | - | - | - |
| Other current financial assets | - | - | - |
| | **52.45** | **319.21** | **371.66** |

| As at 31.03.2023 | Due less than 6 months | Due greater than 6 months | Total |
|---|---|---|---|
| Trade Receivables | 118.10 | 178.86 | 296.96 |
| Security Deposits | - | 143.35 | 143.35 |
| Current Loans | - | - | - |
| Other current financial assets | 4,007.65 | (4,007.65) | - |
| | **4,125.75** | **(3,685.44)** | **440.31** |

(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.

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

**32.** There is no employee in the Company, therefore Gratuity and Leave encashment is not applicable for F.Y 2023-24

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**33. Ratio Analysis**

| S.n. | Particulars | 2023-24 | 2022-23 |
|---|---|---|---|
| 1 | Current Ratio | 0.14 | 0.15 |
| 2 | Debt-Equity Ratio* | NA | NA |
| 3 | Debt service coverage ratio^ | NA | NA |
| 4 | Return on equity ratio | 2% | 15% |
| 5 | Inventory turnover ratio# | NA | NA |
| 6 | Trade receivable turnover ratio | 12.07 | 0.15 |
| 7 | Trade payable turnover ratio | (3.13) | (0.33) |
| 8 | Net capital turnover ratio | (8.72) | (30.34) |
| 9 | Net profit ratio | 24% | 49% |
| 10 | Return on capital employed | 2% | 15% |
| 11 | Return on Investment | 2% | 13% |

* No debt outstanding as on 31/3/24
^ No interest cost duirng FY 2023-24
# No inventory

**33.1 Formula for computation of ratios are as follows:**

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

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

**DEN MALAYALAM TELENET PRIVATE LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2024**

**35. Capital Management**

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

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

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

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

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

| | **As at 31/3/24** | **As at 31/3/23** |
|---|---|---|
| | (Rs.' 000) | (Rs.' 000) |
| Long-term borrowings | - | - |
| Cash and cash equivalents | 1,725.18 | 1,725.00 |
| **Net debt (a)** | **(1,725.18)** | **(1,725.00)** |
| **Total Equity (b)** | **(11,785.94)** | **(12,027.73)** |
| **Net debt to equity ratio (c = a/b)** | NA | NA |

**36. Authorisation of Financial Statements**

The financial statements for the Year ended March 31, 2024 were approved by the Board of Directors 11/04/2024. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

**37.** The Company is a 'Multi System Operator' providing cable television network and allied services and hence has only one reportable segment. The operations of the Company are located in India.

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

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

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

**41.** Following are the details of ongoing litigations with VAT and Service Tax Departmnet. Based on its own assessment, the management is of view that it has a very strong case against the same and no VAT and Service tax is payable by the Company. No provision has accordingly been made against this demand.

| **Relevant Act/Law** | **Major Issues Involved** | **Period of Litigation** | **Tax Demanded** | **Deposit under protest** | **Current Status of Case** | **Authority Where Pending** |
|---|---|---|---|---|---|---|
| Nil | Nil | Nil | Nil | Nil | Nil | Nil |

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

**43. EXCEPTION**

Exceptional items of Rs. Nil Thousands

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

In terms of our report attached
**R.Sivaramakrishnan & Co**
Chartered Accountants
ICAI Firm Registration No.:007402S

R .Sivaramakrishnan
Proprietor
Membership No.205244

Place: Cochin
Dated:11-04-2024

For and on behalf of the Board of Directors of
**DEN MALAYALAM TELENET PRIVATE LIMITED**

Shankar Devarajan
Director
DIN No:02112473

Dated:11-04-2024

Pauly Jose T
Director
DIN No: 02542560

Dated:11-04-2024