October 05, 2018

**The National Stock Exchange of India Limited**
Exchange Plaza,
Plot no. C/1, G- Block
Bandra Kula Complex
Bandra (E), Mumbai – 400051
NSE Trading Symbol- DEN

**BSE Limited**
15th Floor, P J Towers
Dalal Street, Mumbai - 400001
Scrip Code- 533137

**Subject: Annual Report for the Financial Year ending March 31, 2018**

Dear Sir/Ma'am,

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find attached Annual Report of Den Networks Limited for the financial year ending March 31, 2018.

You are requested to take note of the same.

Thanking You,
**For Den Networks Limited**

**Jatin Mahajan**
**Company Secretary**
**M. No.-6887**

DEN NETWORKS LIMITED New Delhi

# DEN NETWORKS LIMITED

## ANNUAL REPORT 2017 - 2018



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# CORPORATE INFORMATION

## Board of Directors and KMPs

**Mr. Sameer Manchanda**
DIN: 00015459
Chairman Managing Director

**Mr. Ankur Ambika Sahu**
DIN: 03623120
Non - Executive, Nominee Director

**Ms. Archana Niranjan Hingorani**
DIN: 00028037
Non - Executive, Independent Director

**Mr. Ajaya Chand**
DIN: 02334456
Non - Executive, Independent Director

**Mr. Atul Sharma**
DIN: 00308698
Non -Executive, Independent Director

**Mr. Robindra Sharma**
DIN: 00375141
Non - Executive, Independent Director

**Mr. S. N. Sharma**
Chief Executive Officer

**Mr. Himanshu Jindal**
Chief Financial Officer

**Mr. Jatin Mahajan**
Company Secretary & Compliance Officer

## Auditors and Bankers

**M/s. Deloitte Haskins & Sells (2017-18)**
Statutory Auditors
7th Floor, Building 10, Tower B
DLF Cyber City Complex, DLF Cyber City Phase-II,
Gurugram, Haryana-122002

**M/s. NKJ & Associates**
Secretarial Auditors
F-130, Ground Floor, Street No. 7,
Pandav Nagar, Delhi – 110091

**M/s. Ajay Kumar Singh & Co.**
Cost Auditors
1/26, 2nd Floor Lalita Park
Laxmi Nagar Delhi-110092

**Bankers**
HDFC Bank Limited
Standard Chartered Bank
ICICI Bank Limited
IDFC Bank Limited
Kotak Mahindra Bank Limited

**Registrar & Transfer Agent**
Karvy Computershare Private Limited
46, Karvy House, Avenue 4, Street No.1
Banjara Hills, Hyderabad - 500034
Landline: +91-40-23420815
Fax: +91-40 -23420814
Email: einward.ris@karvy.com

**Registered office**
236, Okhla Industrial Estates, Phase –III
New Delhi-110020
Landline: + 91-011-40522200
Fax: + 91-011-40522203
Email: investorrelations@denonline.in

## Key Indicators

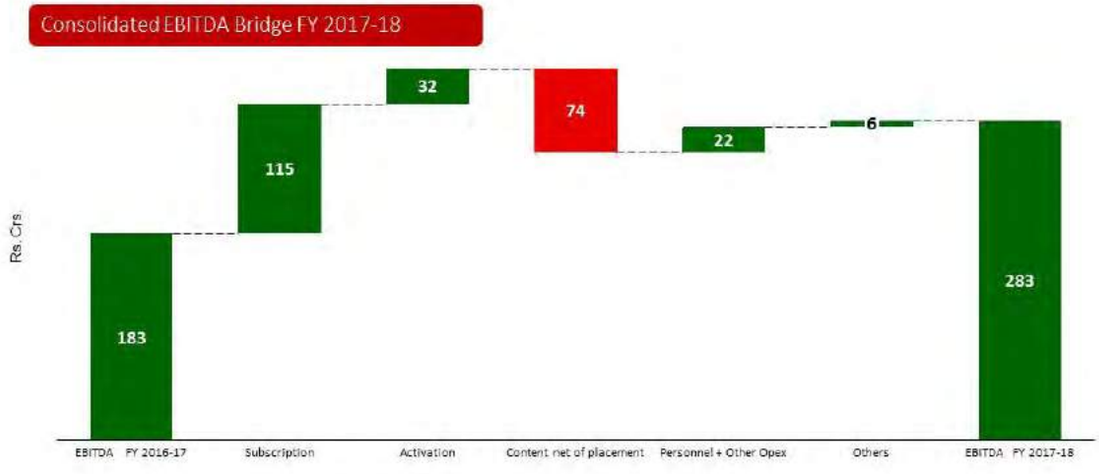
FY 2017-18 Consolidated Financial Highlights

**Cable Subscription Revenue**
**Rs. 667Cr**
FY 2017-18
**Rs. 544 Cr**
FY 2016-17
Growth %- 22%

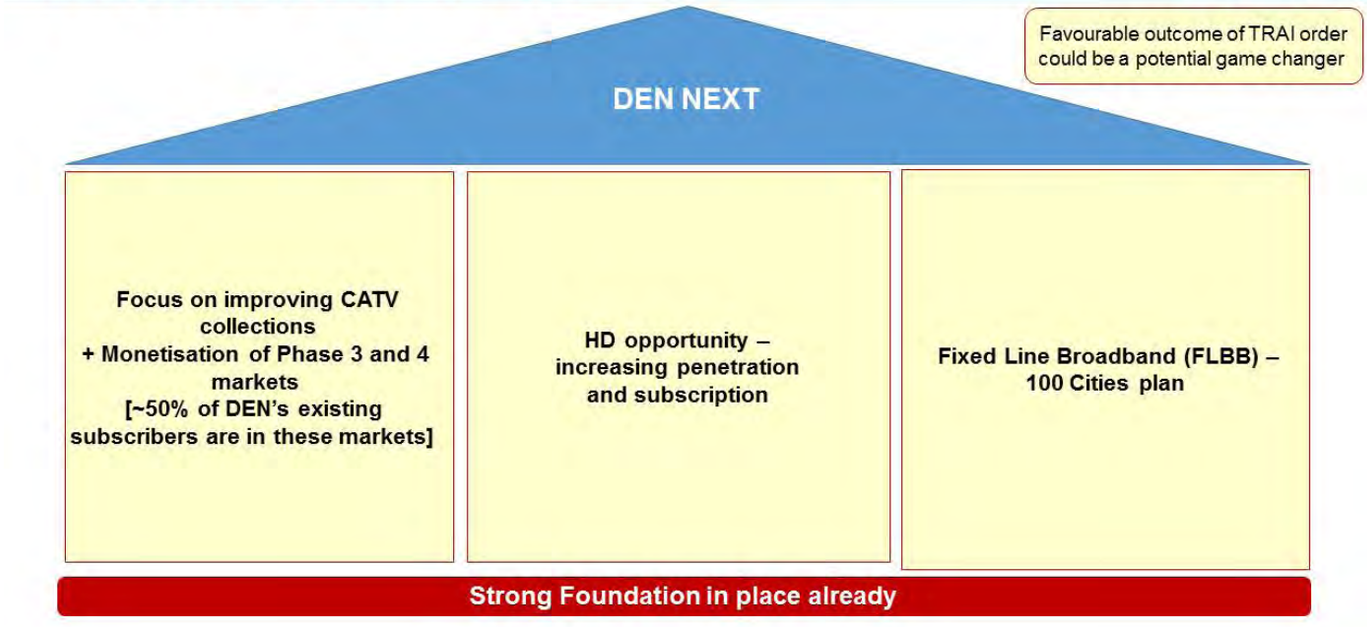
**Total Income**
**Rs. 1315Cr**
FY 2017-18
**Rs. 1199 Cr**
FY 2016-17
Growth %- 10%
(Inclusive of Activation)

**EBITDA (Post Activation)**
**Rs. 283Cr** FY 2017-18
**Rs. 183Cr** FY 2016-17
Growth %- 55%
Including Associates
**Rs. 325 Cr** FY 2017-18
**Rs. 220 Cr** FY 2016-17

### EBITDA Bridge – FY 2017-18



## Growth levers for the next level



# DIRECTORS' REPORT



**Dear Members,**

Your Directors have the pleasure in presenting the Eleventh Annual Report on the business & operations of your Company along with the Consolidated & Standalone Audited Financial Statements for the year ended March 31, 2018.

## 1. FINANCIAL AND OPERATIONAL OVERVIEW

### a) Financial Highlights:

**(₹ in million)**

| Particulars | Consolidated | | Standalone | |
|---|---|---|---|---|
| | Financial year ended March 31, 2018 | Financial year ended March 31, 2017* | Financial year ended March 31, 2018 | Financial year ended March 31, 2017* |
| Total income | 13,149.81 | 11,986.70 | 11,010.11 | 9472.71 |
| Other expenses (other than Finance cost and Depreciation) | 10067.80 | 9985.27 | 9270.90 | 8550.93 |
| Finance Cost | 660.51 | 651.62 | 596.01 | 603.92 |
| Depreciation and amortisation expenses | 2,485.90 | 2,761.00 | 1442.17 | 1848.15 |
| Exceptional items | 1.11 | 306.81 | 158.90 | 632.28 |
| Share of profit/ (loss) of Associates | (5.90) | (29.71) | - | - |
| Net Profit/(loss) before tax after exceptional items | (71.54) | (1547.71) | (457.87) | (2162.55) |
| Total tax expense | 99.65 | 329.89 | (148.08) | - |
| **Profit/(loss) after tax** | **(171.19)** | **(1877.60)** | **(309.79)** | **(2162.55)** |

* Previous year figures had been re-stated as per applicable IND-AS.

During the year under review, the total revenue of your Company was ₹ 11,010.11 million on standalone basis and ₹13,149.81 million on consolidated basis as compared to the last year's revenue of ₹ 9472.71 million on standalone basis and ₹ 11,986.70 million on consolidated basis respectively. The Post Tax Loss of your Company was ₹ 309.79 million on standalone basis and ₹ 171.19 million on consolidated basis as compared to the last year's Post Tax Loss was ₹ 2162.55 million on standalone basis and ₹ 1877.60 million on consolidated basis respectively.

**b) Operational Highlights:**

Hi-Speed Fixed Line Broadband

DEN Broadband Private Limited, a 100% subsidiary of DEN Networks Limited and India's fastest growing fixed broadband Internet service provider (ISP) announces expansion of its hi-speed internet services to 100 cities across India by 2019. After an encouraging response to the pilot project in five cities, DEN has already started its first phase of expansion in 15 cities. DEN's expansion plan is in sync with the massive growth in the internet consumption in the country. Data usage in India has already jumped 144 per cent (y-o-y) with average consumption per user in 4G Broadband reaching 11GB per month. Moreover, the rise in data consumption has not been matched by a corresponding increase in the speed of connection. While India globally ranks 67th in fixed broadband speeds with an average download speed of 20.72 Mbps, mobile broadband speeds still lags at 109th rank with an average download speed of 9.01 Mbps, as per Ookla's speedtest Global Index, Feb 2018 report. With speeds up to 1Gbps at affordable prices, DEN Broadband will cater to the future needs of Internet while penetrating further into the untapped markets. Den Broadband intends to tap into high potential market by capitalizing existing Cable TV infrastructure of Den and providing Hi-Speed fixed broadband internet.

**Join hands with BARC India for RPD**

TV viewership measurement in India is set to get a boost. In a major development, DEN has partnered with BARC India for measuring TV viewership using Return Path Data (RPD) via its digital set top boxes (STBs). As part of this partnership, BARC India will fetch data from STBs of DEN Networks. DEN networks, will use this data for subscriber management, packaging opportunities and to drive advertising revenue on their in-house channels. With this partnership, DEN has taken the first steps towards world class data analytics of subscriber viewing patterns which will help us to serve customers in a far more effective way and enabling us to offer personalized services.

**Technology & Services in Cable**

DEN has recently launched its premium, 4K, Android Internet TV box, which will provide unified TV entertainment across Cable and Internet. DEN is the first MSO to launch unique offering which has features like voice search for browsing through channels and other content. The Internet TV box also provides hi-graphics games which use smartphones as gamepad, apart from other Wi-Fi enabled joysticks. It also use smart phones as remote controls and enables content sharing between mobile phone and TV. Using Wi-Fi and Bluetooth, this will integrate with IoT devices and act as a home gateway across all devices to create smart homes. With this offering, DEN becomes the first MSO to provide 4K services.

**Demerger of Broadband Undertaking:**

The Company had filed a Composite Scheme of Arrangement between DEN Networks Limited ("the Company") and the Skynet Cable Network Private Limited ("Skynet") (a wholly owned subsidiary of the Company), for demerger of Broadband/ Internet Service Provider ("ISP") Business Undertaking into Skynet during the financial year 2016-17. The honourable National Company Law tribunal vide its order dated September 19, 2017 has approved Demerger of Broadband division of the Company with DEN Broadband Private Limited (a wholly owned subsidiary Company) (Formerly known as Skynet Cable Network Private Limited). The demerger has enabled a focused attention on the ISP business and achieve structural and operational efficiency, enhanced competitiveness and greater accountability besides accelerating value creation for shareholders.

**Merger/Demerger of Subsidiaries**

Den Futuristic Cable Networks Private Limited ("Den Futuristic"), a wholly owned subsidiary of the Company had filed a composite scheme of arrangement during the financial year 2016-17 for merger of 23 subsidiaries and demerger of cable business of Amogh Broad Band Services Private Limited ("Amogh Broad band") (another wholly owned subsidiary Company of Den) into DEN Futuristic. The Honorable National Company Law tribunal vide its order dated 16th August, 2017 has approved merger of 23 subsidiary Companies and demerger of cable business of Amogh Broad Band. The Company's expecting that the merger and demerger will facilitate operational synergies, which in turn eliminate inefficiencies and streamline corporate structures and cash flows. It is also expected that a single entity will result in better centralized management and oversight, cost efficiencies and supporting the group's competitive growth.

Den Ambey Cable Networks Private Limited ("Den Ambey") had filed a composite scheme of arrangement during the financial year 2017-18 under section 233 of the Companies Act, 2013 for merger of its eight wholly owned Subsidiary Companies with Den Ambey. Den is holding 61% equity stake in Den Ambey. Den Ambey has received order of the Honorable Regional Director, Northern region dated 06th July, 2018 for merger of its wholly owned subsidiaries into Den Ambey.

**Soccer:**

During the financial year 2017-18, the Company sold its remaining 19.29% (approx.) to Wall Street Investments Limited. With this the Company has completely exited from the soccer business in order to focus on the core business of Cable and Broadband. The Company had acquired the 'Delhi Dynamos FC' team of the Indian Super League, a soccer league in India in 2014.

**c) Consolidated Financial Statements:** Pursuant to applicable Ind AS on Consolidated Financial Statements, the Audited Consolidated Financial Statements are provided in this Annual Report.

**d) Subsidiary Companies:** A statement containing the performance and financial position of each of the subsidiaries, associates and joint venture companies for the year ended 31st March, 2018 is given pursuant to Section 129(3) of the Companies Act, 2013 read with rule 5 and 8 of the Companies

(Accounts) Rules, 2014 in AOC-1 as **"Annexure A"**.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance

Details of Companies/entities which have become or ceased as subsidiary company, associates and joint ventures, up to the signing of this report, are as under:

| S.No. | Name of Company | Relationship | Details of Changes | Date of Change |
|---|---|---|---|---|
| I | 1. Aster Entertainment Private Limited 2. Capital Entertainment Private Limited (formerly known as Uttar Pradesh Entertainment Private Limited) 3. Den Bellary City Cable Private Limited 4. Den Digital Entertainment Gujarat Private Limited 5. Den Entertainment Network Private Limited 6. Den Montooshah Network Private Limited 7. Den RIS Cable Network Private Limited 8. Matrix Cable Network Private Limited 9. Shaakumbari Den Media Private Limited 10. Shine Cable Network Private Limited 11. Kerala Entertainment Private Limited (formerly known as BMC Cable Network Private Limited) 12. Rajasthan Entertainment Private Limited 13. Uttar Pradesh Digital Cable Network Private Limited (formerly known as Delhi Entertainment Private Limited), 14. Den Mewar Rajdev Cable Network Private Limited 15. Den Sky Media Network Private Limited 16. Den Narmada Network Private Limited 17. Den Infoking Channel Entertainers Private Limited 18. Mahadev Den Network Private Limited 19. Den Shiva Cable Network Private Limited 20. Astonishing Network Private Limited (formerly known as Den Nanak Communications Private Limited) 21. Scorpio Cable Network Private Limited 22. Den Krishna Vision Private Limited 23. Den UCN Network India Private Limited | Wholly Owned Subsidiaries / Indirect Subsidiaries | 23 Subsidiary (Direct/ Indirect) Companies have been merged with Den Futuristic Cable Networks Pvt. Ltd. (a wholly owned subsidiary of DEN) pursuant to the order of the honorable National Company Law Tribunal. | 16.08.2017 |
| 2 | Amogh Broad Band Services Private Limited | Wholly Owned Subsidiary | Pursuant to the order of Honorable National Company Law Tribunal the Cable business of Amogh Broad Band has been demerged into DEN Futuristic. However Amogh Broad Band Services Private Limited will continue as a wholly owned subsidiary of the company. | 16.08.2017 |
| 3 | Delhi Sports & Entertainment Private Limited (Formerly known as Den Sports & Entertainment Private Limited) | Associate Company | The Company has diluted its remaining 19.29% Stake in Delhi Sports. | 16.08.2017 |
| 4 | DEN Broadband Private Limited (Formerly known as Skynet Cable Network Private Limited) | Wholly owned subsidiary | Pursuant to the order of the Honorable National Company Law Tribunal, the Broadband undertaking of DEN Networks ("the Company") has been demerged into DEN Broadband Pvt. Ltd. (a wholly owned subsidiary Company). | 19.09.2017 |
| 5 | VBS Digital Distribution Network Private Limited | Subsidiary Company | The share-purchase and shareholders agreement was executed for acquisition of 51% stake in VBS Digital. | 05.01.2018 |

The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting as required under Section 136 of the Companies Act, 2013. The financial statements of the subsidiary companies are also uploaded on the Company's website http://www.dennetworks.com/index.php/Investors#financial-result. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company.

e) **Particulars of Loans, Guarantees or Investments:** Particulars of loans, guarantees and investments made by the Company required under section 186(4) of the Companies Act, 2013 are contained in Notes of the Standalone Financial Statements and are not reproduced for the sake of brevity.

f) **Dividend:** Your Directors do not recommend any Dividend for the financial year ended March 31, 2018.

g) **Transfer to Reserves:** Your Company has not made any transfer to the Reserves during the financial year 2017-18.

h) **Public Deposits:** Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

i) **Internal Financial Controls:** The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies. It has continued its efforts to align all its processes and controls with global best practices. Your Company uses a System Applications Products (SAP) to record data for accounting and management information purposes and connects to different locations for efficient exchange of information. The Company has continued its efforts to align all its processes and controls with global best practices. The entity level polices include Code of Conduct, Whistle Blower Policy, and other policies (like Organization Structure, Insider Trading, HR Policy etc.)

j) **Management's Discussion and Analysis Report:** The Management's Discussion and Analysis as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 forms an integral part of this Report and gives detail of the overall industry structure and development, business review, financial performance review in cable television business and broadband business, key growth drivers, opportunities and threats, risks and concerns, internal control system and it's adequacy. It is presented in a separate section forming part of the Annual Report.

## 2. MATTERS RELATED TO BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a) Board of Director's & Key Managerial Personnel

As on March 31st, 2018, your Company had seven Directors which includes Four Independent, Two Non-Executive Directors and One Executive Director. However, as on date of adoption of this Director's Report, the Company has six Directors.

**Directors:**

(Ms.) Dr. Archana Niranjan Hingorani – She resigned from the Board w.e.f 1st August 2017. She was again appointed as an Additional Director (designated as Non-Executive Independent Director) w.e.f. 09th November, 2017.

Pursuant to the provisions of section 161 of the Companies Act, 2013 and other applicable provisions, an additional Director shall hold office up to the date of ensuing AGM. Accordingly, the Company has received notice under section 160 of the Companies Act, 2013 and other applicable provisions along with requisite fees from a shareholder proposing candidature of (Ms.) Dr. Archana Niranjan Hingorani for the office of Non-Executive Independent Director. It is proposed to appoint her as Non-Executive Independent Director for a period of 3 years i.e., upto 08th Nov, 2020.

Mr. Krishnakumar P. T Gangadharan was appointed as an Additional Director (designated as Non-Executive Nominee Director) by the Board w.e.f 01st August, 2017. Thereafter his appointment was regularized by the shareholders in Annual General Meeting of the Company held on 27th Sep, 2017. He has resigned from the directorship on 02nd August, 2018.

Mr. Sameer Manchanda was appointed as Chairman Managing Director for a period of three years from 10-09-2015 to 09-09-2018. His office as Chairman Managing Director will be completed on 09th Sep, 2018.

As per provisions of section 152 of the Companies Act, 2013 and its rules made thereunder, Mr. Ankur Ambika Sahu (DIN: 03623120), shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for approval of shareholders.

**Key Managerial Personnel:**

Mr. Manish Dawar resigned as Key Managerial Personnel and Group Chief Financial Officer w.e.f. November 30, 2017.

Mr. Himanshu Jindal has been appointed by the Board of Directors as new Chief Financial Officer of the Company w.e.f 04th April, 2018.

b) **Declaration by Independent Directors:** The Company has received declarations from all the Independent Directors of the Company under section 149 (6) of the Companies Act, 2013 and applicable regulation(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, if any, confirming that they meet the criteria of independence. The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. The details of programs for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance

c) **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

**3. DISCLOSURE RELATED TO BOARD, COMMITTEES & POLICIES**

a) **BOARD MEETINGS**

The Board of Directors met 4 times during the financial year ended 31st March, 2018 in accordance with the provisions of Companies Act, 2013 and rules made thereunder. The dates on which the Board of Directors met during the financial year under review are as under:-

| S. No. | Date of Board Meeting |
|---|---|
| 1 | 22nd May, 2017 |
| 2 | 1st August, 2017 |
| 3 | 09th November, 2017 |
| 4 | 16th January, 2018 |

b) **DIRECTORS' RESPONSIBILITY STATEMENT**

**Your Directors state that:**

a) in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

c) **CORPORATE SOCIAL RESPONSIBILITY**

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted Corporate Social Responsibility Committee. However, since the Company has no profits in the preceding 3 financial years, no amount was required to be incur for Corporate Social Responsibility activities. Hence, the Company hasn't undertaken any CSR initiatives during the year under review. The CSR Policy may be accessed on the Company's website at the link: http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability.

The Statutory disclosure with respect to CSR activities is annexed herewith as **"Annexure B"**.

d) **RISK MANAGEMENT**

Pursuant to the regulation 21 (5) of SEBI (Listing Obligations and Disclosure Requirements) regulation, 2015, Top 500 listed entities, determined on the basis of market capitalization as at the end of immediate previous financial year needs to formulate Risk Management Committee. Your Company is not falling under Top 500 list. However, following the good corporate practice, the Company has formulated risk management committee as the better corporate practice and for the upward mobility of the Company. The Committee met once in during the financial year 2017-18. The Risk Management Committee consisting three Directors:

| S.No. | Name of Committee Members | Designation |
|---|---|---|
| 1 | Mr. Ajaya Chand | Chairman |
| 2 | Mr. Robindra Sharma | Member |
| 3 | Mr. Ankur Ambika Sahu | Member |

The Members has been entrusted with the responsibility to assist the Board in:

(a) Overseeing and approving the Company's enterprise wide risk management framework; and

(b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security,

property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

e) **AUDIT COMMITTEE**

The scope and terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013. The Audit Charter was approved by the Board in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR). As on March, 31, 2018, the composition of the committee was following:-

| S.No. | Name of Committee Members | Designation |
|---|---|---|
| 1 | Mr. Ajaya Chand | Chairman |
| 2 | Mr. Robindra Sharma | Member |
| 3 | Mr. Krishnakumar Gangadharan | Member |

The Audit Committee met 5 times during the financial year 2017-18. All the recommendations made by the Audit Committee were accepted by the Board. The details about the meetings of the Audit Committee during the financial year 2017-2018 is available in 'Corporate Governance Report' and hence not repeated here for the sake of brevity.

f) **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a Vigil Mechanism Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

g) **NOMINATION AND REMUNERATION COMMITTEE**

In accordance with the provisions of section 178 (3) of the Companies Act, 2013, the Board of Directors of the Company has formulated the policy setting out the criteria for determining credentials, positive attributes, independence of a Director and policy relating to Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The details of Policy of committee are available at www.dennetworks.com/index.php/corporate-announcement#corporate-governance. The Committee met 2 times during the financial year 2017-18, the details of the meetings held during the financial year 2017-2018 are available in 'Corporate Governance Report' and hence not repeated here for the sake of brevity.

h) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Pursuant to section 178 of the Companies Act, 2013 and other applicable provisions, if any, the Company has Stakeholders Relationship Committee of Board of Directors. The Committee formulate the policies and procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from security holders from time to time and work for Redressal of shareholders and investor complaints/ grievances.

i) **DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) AMENDMENT RULES, 2016:**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review is given under **"Annexure C"**.

The information required pursuant to Section 197(12) of Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of remuneration details as required in Rule 5(1) and details of employees of the Company as required in Rule 5(2) of (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request.

In terms of Section 136(1) of the Act, the financial statements are being sent to the members and others entitled thereto, excluding the information on employees' particulars specified under rule 5(2) & (3) (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The same are available on the website of the Company viz. www.dennetworks.com and for inspection by the members at the Registered Office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary.

**4. AUDITORS AND REPORTS**

a) **REPORT OF STATUTORY AUDITOR**

The Board has duly examined the Report issued by the Statutory Auditors' of the Company on the Accounts for the financial year ended March 31, 2018. The notes to the financial statements, as presented in this Annual Report, are self-explanatory in this regard and hence do not call for any further clarification. The Auditors' Report does not contain any qualification, adverse remark.

b) **SECRETARIAL AUDIT**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Neelesh Jain, Company Secretaries in practice of M/s NKJ & Associates to undertake the Secretarial Audit of the Company. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark. The Secretarial Audit report is annexed herewith as **"Annexure D"**.

c) **COST AUDITORS**

The Board has duly examined the Report issued by the Cost Auditors' of the Company on the Cost Accounts for the financial year ended March 31, 2018. The Report doesn't contain any qualification, reservation or adverse remark. Pursuant to the provision of section 148 of the Companies Act, 2013 and Rule 3 of Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions, if any, Cost Audit was applicable on the Broadband segment of the Company. The Broadband undertaking has been demerged into Den Broadband Private Limited (A Wholly Owned Subsidiary Company), in terms of

order of the honorable National Company Law Tribunal dated 19th September, 2017. Now, cost Audit is not applicable on the Company. However, following the good corporate practice, the Board has re-appointed M/s Ajay Kumar Singh & Company as Cost Auditors for the financial year 2018-19 to conduct cost audit of accounts maintained by the Company. Full particulars of the Cost Auditors are mentioned below:-

**M/s Ajay Kumar Singh & Company**
1/26, 2nd Floor, Lalita Park, Laxmi Nagar, Delhi-110092
Telephone No.- 011-45595822, email- id- info@cmaadvisors.in
Firm Membership No. - 30778

d) **APPOINTMENT OF NEW STATUTORY AUDITORS:**

In terms of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells, Chartered Accountants were appointed as Statutory Auditors of the Company for 3 years (i.e., 29th Sep, 2015). The office of Deloitte shall be completed in ensuing Annual General Meeting. The Board of Directors in their meeting dated 03rd August, 2018 has proposed appointment of M/s. B S R & Associates LLP, Chartered Accountants as Statutory Auditors of the Company for a period of 5 years (i.e., form the conclusion of Eleventh Annual General Meeting to the conclusion of Sixteenth Annual General Meeting), subject to the approval of shareholders in eleventh Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Statutory Auditors and are eligible to hold the office as Auditors of the Company.

The requisite resolution for appointment of the said Auditors is included in the notice of AGM for seeking approval of members.

e) **CERTIFICATE ON CORPORATE GOVERNANCE FROM PRACTICING COMPANY SECRETARIES:**

In terms of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Practicing Company Secretaries' certificate on corporate governance is forming part of Corporate Governance Report. The certificate for the financial year ended on March 31, 2018 does not contain any qualification, reservation or adverse remark.

5. **OTHER DISCLOSURES**

a) **EXTRACTS OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **"Annexure E"**.

b) **CREDIT RATING:**

The details of credit rating of company are as followed:

| Instrument | Rating Agency | Rating | Outlook |
|---|---|---|---|
| Long Term Debt & Cash Credit Facilities | ICRA | A | Stable |
| Short Term – Non Fund based limit | ICRA | A1 | Stable |
| Long Term/Short Term unallocated limit | ICRA | A/A1 | Stable |

c) **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the financial year 2017-18, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014 and any amendment thereof, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Regulation 34(3) and 53(f) and Schedule V of SEBI (LODR). During the financial year 2016-17, there were no transactions with related parties which qualify as material transactions under the applicable provisions of the Companies Act, 2013 and SEBI (LODR).

d) **MATERIAL CHANGES**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and date of this Report.

e) **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an appendix to the Code. The Code has been posted on the Company's website www.dennetworks.com. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

f) **EMPLOYEES' STOCK OPTION SCHEME:**

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme of the Company in accordance with the applicable SEBI Guidelines.

**DEN ESOP SCHEME 2010**

The DEN ESOP Scheme 2010, was approved by the Shareholders of the Company in its meeting dated September 10, 2010 to issue and grant up-to 52,19,599 Equity Shares to the eligible

employees of the Company. There are 4,82,500 ESOP options are in force under DEN ESOP Scheme, 2010. The Company had granted 1 lac ESOP options to eligible employees on 01st January, 2018 under the said scheme.

**DEN ESOP SCHEME 2014**

The DEN ESOP Plan Scheme, 2014 was approved by the shareholders of the Company through postal ballot on January 05, 2015 to grant and issue up-to 89,09,990 Equity Shares (i.e., 5% of issued and paid up capital) to the eligible employees of the Company. Out of said 5%, 2.5% was approved through purchase from secondary market (DEN ESOP Plan A -2014) and 2.5% through new allotment (2.5%, DEN ESOP Plan B -2014). The Shareholders of the Company vide approval through postal ballot dated June 23rd, 2015 terminated the DEN ESOP Plan A -2014 and increased the same no. of shares under DEN ESOP Plan B -2014. Hence, the total no. of shares under DEN ESOP Plan B -2014 were increased to 89,09,990. There are 2,80,000 ESOP options are in force under DEN ESOP Plan B, 2014. During the year 17,50,000 options vested and exercised under said scheme. The Company & eligible employee has given the relevant disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Objective of ESOP is to give benefit to eligible employees with a view to attract and retaining the best talent, encouraging employees to align individual performance with company objectives, and promoting increased participation by them in the growth of the Company.

The details of ESOP Plans, including terms of reference and the requirements specified under Regulation 14 of the SEBI (Share-based Employee Benefits), Regulations, 2014 is available on the Company's website at http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance. The details of the employee stock options plans form part of the Notes to accounts of the financial statements in the Annual Report.

The Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI Guidelines and the resolution passed by the members. The certificate would be placed at the Annual General Meeting for inspection by members.

Voting rights on the shares issued to employees under the ESOS are either exercised by them directly or through their appointed proxy.

g) **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure Compliance with the provisions of all secretarial standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

h) **GOODS AND SERVICES TAX**

Effective July 01, 2017 with initiation of the Goods and Services Tax (GST) regime, India introduced the landmark Tax return. Your Company made a timely and seamless transition to the new GST system.

i) **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the Designated Employees have confirmed compliance with the Code.

j) **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

In order to prevent sexual harassment of women at work place as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee. However, during the year Company has not received any complaint of harassment. Your Directors further state that during the year under review, there were no cases led pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

k) **DETAILS OF UNCLAIMED SHARES AS PER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015:**

Dematerialization credit of equity shares of ₹10 each, for allottees could not happen till date, due to incorrect particulars of account holders. The Company through its Registrar and Share Transfer Agent viz., M/s. Karvy Computershare Private Limited, had sent several reminders to these allottees and in the absence of any response from any of them, had finally transferred the aforesaid equity shares to 'Den Networks Limited – Unclaimed Securities Suspense Account' as required under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, following is the status of outstanding shares lying in the aforesaid account as on March 31, 2018:

| Particulars | No. of Shareholders | No. of Equity Shares |
|---|---|---|
| Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1st April, 2017 / transferred to Account during the year ended 31st March, 2018 | 4 | 309 |
| Number of shareholders who approached to the Company / RTA for transfer of shares from Unclaimed Suspense Account during the year ended 31st March 2018 | Nil | Nil |

| Particulars | No. of Shareholders | No. of Equity Shares |
|---|---|---|
| Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31st March 2018 | Nil | Nil |
| Aggregate Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. as on 31st March, 2018. | 4 | 309 |

The voting rights on these shares are frozen till the rightful owner of these shares claims the shares.

l) **CORPORATE GOVERNANCE**

Corporate Governance is about maximizing shareholders value legally, ethically and sustainably. At DEN, the purpose of corporate governance is to entrust justice for every shareholder. We believe sound Corporate Governance is critical in enhancing and retaining stakeholders trust. Our priority is attainment of all performance goals with integrity. The Company is committed to maintain the highest Standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. A certificate from practicing Company Secretary regarding compliance of the conditions of Corporate Governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is attached to the Report on Corporate Governance. Certificate of the CEO/CFO, inter alia, confirming the correctness of the financial statements, compliance with Company`s Code of Conduct, adequacy of the internal control measures and reporting of matters to the Audit Committee s, is attached in the Corporate Governance report and forms part of this Report.

m) **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to provisions of the Companies Act, 2013 and applicable rules thereof, the following information is provided:

- Conservation of Energy: Your Company is not an energy intensive unit; however possibilities are continuously explored to conserve energy and to reduce energy consumption at editing facilities, studios, and workstations of the Company.
- Technology absorption: Your Company is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of your Company are made aware of the latest working techniques and technologies through workshops, group e-mails and discussion sessions for optimum utilization of available resources and to improve operational efficiency.
- Foreign Exchange Earnings and Outgo: Disclosure of foreign exchange earnings and outgo is given in "Notes to the financial statements" forming part of the Audited Annual Accounts, the summary of foreign exchange earnings and outgo are mentioned below:

| | | **(₹ in million)** |
|---|---|---|
| Foreign Exchange Earnings | : - | NIL |
| Foreign Exchange Outgo | : - | 547.99 |

n) **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review

1) Details relating to deposits covered under Chapter V of the Act.
2) Issue of equity shares with differential rights as to dividend, voting or otherwise.
3) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6) Material changes and commitments, affecting the financial position of the company.
7) Change in the nature of business
8) Disclosure u/s 67(3) in respect of voting rights not exercised by employees in respect of shares to which the scheme relates
9) Re-appointment of independent director after 5 years u/s 149(10)

**6. ACKNOWLEDGEMENT**

Your Directors place on record their gratitude to the Central Government, State Government, Company's Bankers and business partners/for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

**For and on behalf of the Board of Directors**

**Sd/-**
**Sameer Manchanda**
**Chairman Managing Director**
**DIN : 00015459**

**Date: 03.08.2018**
**Place: New Delhi**

# ANNEXURE INDEX

| Annexure | Content |
|---|---|
| A | Financials of subsidiaries, associates and joint venture companies in AOC-1 |
| B | Annual Report on Corporate Social Responsibility |
| C | Disclosure of the remuneration of Directors, Key Managerial Personnel and employees |
| D | Secretarial Audit Report -MR-3 |
| E | Annual Return Extracts in MGT-9 |

## "Annexure A" -Part A

## Financials of subsidiaries, associates and joint venture companies in AOC-1

Pursuant to Section 129(3) of the Companies Act, 2013 read with rule 5 and 8 of the Companies (Accounts) Rules, 2014.

| S.NO. | PARTICULARS | SHARE CAPITAL | RESERVES & SURPLUS | ASSETS | LIABILITY | INVEST-MENTS | TURNOVER | PROFIT BEFORE TAX | TAX EXPENSE | PROFIT AFTER TAX | PRO-POSED DIVIDEND | % OF SHARE-HOLDING |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | VBS Digital Distribution Network Private Limited | 9,89,180 | (17,96,993) | 8,44,79,631 | 8,52,87,444 | - | 1,14,14,310 | 24,68,570 | 4,00,865 | 20,67,705 | - | 51% |
| 2 | DEN Broadband Private Limited | 4,73,44,850 | 68,42,01,798 | 1,14,99,87,415 | 41,84,40,766 | - | 75,30,66,353 | (32,40,54,898) | 8,53,943 | (32,49,08,841) | - | 100% |
| 3 | Den Krishna Cable Tv Network Private Limited | 9,58,550 | 4,26,54,447 | 6,25,72,511 | 1,89,59,513 | - | 5,80,09,460 | (55,97,358) | (12,42,311) | (43,55,047) | - | 74% |
| 4 | Den Mahendra Satellite Private Limited | 5,55,000 | (4,85,990) | 36,09,123 | 35,40,112 | - | 39,14,565 | (6,52,503) | 40,729 | (6,93,232) | - | 60% |
| 5 | Den Pawan Cable Network Private Limited | 6,83,380 | 1,07,64,738 | 5,26,52,175 | 4,12,04,056 | - | 4,76,75,323 | 10,63,631 | (11,92,169) | 22,55,800 | - | 60% |
| 6 | Den Harsh Mann Cable Network Private Limited | 5,40,500 | (74,60,136) | 96,99,772 | 1,66,19,407 | - | 53,33,172 | (26,80,094) | (1,52,348) | (25,27,746) | - | 51% |
| 7 | Den Classic Cable Tv Services Private Limited | 5,82,100 | (63,67,546) | 33,78,979 | 91,64,425 | - | 60,87,392 | (7,11,526) | (1,316) | (7,10,210) | - | 51% |
| 8 | Den Bindra Network Private Limited | 5,26,290 | (3,69,439) | 24,64,778 | 23,07,928 | - | 44,42,621 | 2,08,654 | 1,41,611 | 67,043 | - | 51% |
| 9 | Den Ashu Cable Private Limited | 82,89,430 | (8,49,644) | 3,25,43,589 | 3,25,16,713 | - | 3,75,91,509 | (47,40,552) | (7,33,506) | (40,07,046) | - | 51% |
| 10 | Fab Den Network Private Limited | 4,43,54,301 | 1,18,37,704 | 3,03,09,077 | 1,63,35,564 | - | 3,81,71,112 | (34,93,066) | (5,66,823) | (29,26,243) | - | 51% |
| 11 | Crystal Vision Media Private Limited | 5,00,000 | 5,78,23,697 | 11,15,06,765 | 5,31,83,068 | - | 8,55,07,936 | 12,27,526 | 2,56,461 | 9,71,065 | - | 51% |
| 12 | Multi Star Cable Network Private Limited | 6,70,000 | (20,39,475) | 26,30,263 | 39,99,738 | - | 12,43,930 | (15,72,878) | (16,792) | (15,56,086) | - | 51% |
| 13 | Ekta Entertainment Network Private Limited | 84,21,390 | 3,14,87,370 | 5,53,51,499 | 2,26,68,379 | - | 5,10,33,501 | 6,95,044 | 19,91,519 | (12,96,475) | - | 51% |
| 14 | Gemini Cable Network Private Limited | 5,50,00,000 | (4,09,42,975) | 6,89,63,579 | 10,89,06,553 | - | 2,91,01,872 | (73,96,668) | (8,48,687) | (65,47,981) | - | 51% |
| 15 | Srishti Den Networks Private Limited | 3,53,29,280 | 57,16,043 | 7,43,20,730 | 6,81,04,687 | - | 6,94,18,966 | (1,74,66,313) | (19,19,148) | (1,55,47,165) | - | 51% |
| 16 | Den A.F. Communication Private Limited | 9,59,430 | (5,35,459) | 66,65,336 | 62,41,364 | - | 8,66,545 | 1,72,101 | 1,29,790 | 42,311 | - | 51% |
| 17 | Sanmati DEN Cable TV Network Private Limited | 5,52,400 | (80,70,049) | 28,37,483 | 1,03,55,133 | - | 3,46,054 | (29,52,355) | 11,83,031 | (41,35,386) | - | 51% |
| 18 | Den Steel City Cable Network Private Limited | 6,01,600 | (62,00,676) | 59,34,550 | 1,15,33,626 | - | 1,46,009 | 27,614 | 4,28,330 | (4,00,717) | - | 51% |
| 19 | Multi Channel Cable Network Private Limited | 5,55,560 | (1,99,61,428) | 35,51,929 | 2,29,57,798 | - | 10,66,799 | (5,45,235) | 6,53,784 | (11,99,019) | - | 51% |
| 20 | Antique Communications Private Limited | 5,71,500 | (21,15,975) | 24,18,796 | 39,63,271 | - | 1,60,194 | (95,655) | 36,583 | (1,32,238) | - | 51% |
| 21 | Devine Cable Network Private Limited | 5,33,130 | (7,93,634) | 12,83,549 | 15,44,054 | - | - | (1,15,340) | 6,780 | (1,22,120) | - | 51% |
| 22 | Nectar Entertainment Private Limited | 5,94,350 | (46,60,695) | 20,68,154 | 61,34,499 | - | 43,900 | (8,34,065) | - | (8,34,065) | - | 51% |
| 23 | Trident Entertainment Private Limited | 5,00,000 | (42,60,200) | 93,13,389 | 1,30,73,589 | - | 16,780 | (4,86,754) | 14,89,152 | (19,75,906) | - | 51% |
| 24 | Blossom Entertainment Private Limited | 5,00,000 | (18,32,156) | 10,06,603 | 23,38,759 | - | - | (1,55,930) | - | (1,55,930) | - | 51% |
| 25 | Glimpse Communications Private Limited | 1,00,000 | (8,98,012) | 55,79,621 | 63,77,633 | - | 6,87,492 | (2,38,417) | 634 | (2,39,051) | - | 51% |
| 26 | Indradhanush Cable Network Private Limited | 5,00,000 | (1,22,64,544) | 46,67,680 | 1,64,32,224 | - | 3,89,236 | (5,53,883) | 2,63,780 | (8,17,663) | - | 51% |
| 27 | Adhunik Cable Network Private Limited | 5,00,000 | (35,80,680) | 8,74,119 | 39,54,799 | - | - | (1,54,989) | - | (1,54,989) | - | 51% |
| 28 | Radiant Satellite (India) Private Limited | 15,00,000 | (4,37,97,878) | 4,08,97,106 | 8,31,94,983 | - | - | - | - | - | - | 51% |
| 29 | Den Radiant Satelite Cable Network Private Limited | 5,40,600 | 24,28,457 | 35,44,309 | 5,75,252 | - | 10,00,376 | (4,16,036) | 1,37,902 | (5,53,938) | - | 65% |
| 30 | Silverline Television Network Private Limited | 7,50,000 | 1,07,21,976 | 5,03,96,126 | 3,89,24,150 | - | 3,81,73,129 | 27,10,267 | 11,88,572 | 15,21,695 | - | 51% |
| 31 | Fun Cable Network Private Limited | 5,00,000 | (1,05,36,311) | 21,28,565 | 1,21,64,876 | - | 19,980 | (58,483) | (1) | (58,482) | - | 51% |
| 32 | Den Faction Communication System Private Limited | 5,77,500 | (2,76,19,047) | 1,27,08,659 | 3,97,50,207 | - | 5,51,273 | (20,44,735) | (76,858) | (19,67,877) | - | 100% |
| 33 | Victor Cable Tv Network Private Limited | 59,01,960 | (2,15,55,019) | 53,11,784 | 2,09,64,843 | - | - | (2,03,038) | (13,408) | (1,89,630) | - | 100% |
| 34 | Libra Cable Network Private Limited | 29,36,760 | 5,91,54,023 | 16,14,38,265 | 9,93,47,482 | - | 10,21,80,062 | 16,55,500 | 9,93,360 | 6,62,140 | - | 51% |

| S.NO. | PARTICULARS | SHARE CAPITAL | RESERVES & SURPLUS | ASSETS | LIABILITY | INVEST-MENTS | TURNOVER | PROFIT BEFORE TAX | TAX EXPENSE | PROFIT AFTER TAX | PRO-POSED DIVIDEND | % OF SHARE-HOLDING |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 35 | Den Futuristic Cable Networks Private Limited | 3,66,10,280 | 54,32,62,305 | 1,16,84,95,997 | 61,36,23,411 | 6,88,27,947 | 9,28,33,014 | (1,79,00,390) | (14,64,600) | (1,64,35,790) | - | 100% |
| 36 | Den Digital Cable Network Private Limited | 5,91,000 | 2,65,76,494 | 6,94,83,268 | 4,23,15,774 | - | 6,48,91,276 | (7,30,458) | (4,51,032) | (2,79,426) | - | 88% |
| 37 | Den Saya Channel Network Private Limited | 25,00,000 | 1,66,71,330 | 14,61,13,175 | 12,69,41,845 | - | 10,08,79,834 | 2,48,72,494 | 65,38,135 | 1,83,34,359 | - | 51% |
| 38 | Den Crystal Vision Network Private Limited | 5,71,500 | (16,88,355) | 34,95,609 | 46,12,464 | - | 19,52,581 | (2,24,808) | 92 | (2,24,900) | - | 51% |
| 39 | Den Mod Max Cable Network Private Limited | 5,15,650 | (14,66,578) | 85,00,454 | 94,51,382 | - | 58,33,178 | (11,02,157) | (7,42,869) | (3,59,288) | - | 51% |
| 40 | Den Bcn Suncity Network Private Limited | 5,36,700 | 49,45,101 | 1,06,46,226 | 51,64,425 | - | 89,75,278 | 44,11,234 | 7,56,309 | 36,54,925 | - | 51% |
| 41 | Bali Den Cable Network Private Limited | 5,34,900 | 41,74,349 | 1,19,43,327 | 72,34,080 | - | 97,50,636 | 6,44,474 | (3,14,757) | 9,59,231 | - | 51% |
| 42 | Jhankaar Cable Network Private Limited | 25,00,000 | (1,11,69,879) | 42,11,056 | 1,28,80,935 | - | - | (4,63,551) | (30,172) | (4,33,379) | - | 51% |
| 43 | Marble Cable Network Private Limited | 19,29,610 | (17,71,730) | 55,46,181 | 53,88,301 | - | - | (6,84,875) | - | (6,84,875) | - | 51% |
| 44 | Augment Cable Network Private Limited | 10,00,000 | 13,37,406 | 51,72,229 | 28,34,823 | - | - | (2,28,380) | - | (2,28,380) | - | 51% |
| 45 | Meerut Cable Network Private Limited | 2,35,00,000 | 2,41,34,149 | 11,14,12,934 | 8,62,78,785 | - | 2,05,03,549 | 19,03,272 | 4,96,839 | 14,06,433 | - | 51% |
| 46 | Den Pradeep Cable Network Private Limited | 25,72,500 | (71,95,844) | 58,56,867 | 1,04,80,211 | - | 2,28,628 | (7,55,291) | 1,51,204 | (9,06,495) | - | 51% |
| 47 | Den Prince Network Private Limited | 5,36,960 | (79,02,147) | 22,63,492 | 96,28,679 | - | - | (2,95,476) | - | (2,95,476) | - | 51% |
| 48 | Den Jai Ambey Vision Cable Private Limited | 5,02,400 | (33,25,456) | 41,55,525 | 69,78,581 | - | - | (6,02,248) | - | (6,02,248) | - | 51% |
| 49 | Den Varun Cable Network Private Limited | 12,82,670 | 50,99,361 | 1,24,26,889 | 60,44,858 | - | 6,59,072 | (9,32,147) | 4,49,988 | (13,82,135) | - | 51% |
| 50 | Den Aman Entertainment Private Limited | 5,98,600 | 1,08,82,555 | 1,45,06,877 | 30,25,722 | - | - | (3,62,001) | - | (3,62,001) | - | 51% |
| 51 | Den Satellite Cable Tv Network Private Limited | 6,13,050 | (1,92,79,503) | 69,42,884 | 2,56,09,337 | - | - | (84,138) | - | (84,138) | - | 51% |
| 52 | Den F K Cable Tv Network Private Limited | 11,40,110 | 13,37,13,894 | 28,66,43,094 | 15,17,89,090 | - | 13,98,20,914 | 6,32,07,958 | 1,62,61,803 | 4,69,46,155 | - | 51% |
| 53 | Den Budaun Cable Network Private Limited | 7,27,700 | 2,16,284 | 23,32,809 | 13,88,825 | - | - | (4,59,403) | - | (4,59,403) | - | 51% |
| 54 | Big Den Entertainment Private Limited | 6,00,390 | 65,23,148 | 81,64,899 | 10,41,362 | - | 3,84,934 | (1,21,511) | 3,94,345 | (5,15,856) | - | 51% |
| 55 | Bhadohi Den Entertainment Network Private Limited | 6,71,110 | 1,21,391 | 32,55,347 | 24,62,846 | | - | (59,723) | 1,566 | (61,289) | - | 51% |
| 56 | Den Kashi Cable Network Private Limited | 80,00,000 | (2,02,59,318) | 4,51,67,218 | 6,49,26,536 | 39,00,000 | 47,68,740 | (60,68,139) | (5,61,786) | (55,06,353) | - | 51% |
| 57 | Den Maa Sharda Vision Cable Networks Private Limited | 7,58,330 | 1,98,18,206 | 4,93,28,446 | 2,87,51,910 | - | 3,82,84,797 | 16,71,442 | 9,16,306 | 7,55,136 | - | 51% |
| 58 | Kishna DEN Cable Network Private Limited | 5,73,070 | (58,21,277) | 19,40,665 | 71,88,872 | - | - | (1,76,369) | - | (1,76,369) | - | 51% |
| 59 | Divya Drishti Den Cable Network Private Limited | 7,40,250 | (7,39,539) | 24,73,706 | 24,72,995 | - | - | (1,51,612) | - | (1,51,612) | - | 51% |
| 60 | Sanmati Entertainment Private Limited | 6,02,390 | (30,89,585) | 35,26,898 | 60,14,093 | - | - | (2,75,197) | - | (2,75,197) | - | 51% |
| 61 | Eminent Cable Network Private Limited | 9,88,350 | 20,30,12,549 | 66,94,54,932 | 46,54,54,033 | 71,00,000 | 38,80,96,467 | 8,62,58,038 | 2,43,12,663 | 6,19,45,375 | - | 56% |
| 62 | Rose Entertainment Private Limited | 77,50,000 | 34,07,651 | 1,79,44,180 | 67,86,530 | - | 1,08,39,646 | 4,32,797 | (1,58,412) | 5,91,209 | - | 51% |
| 63 | Mansion Cable Network Private Limited | 5,14,47,900 | 27,18,00,203 | 67,87,17,914 | 35,54,69,811 | - | 40,94,51,706 | 8,17,14,331 | 2,41,60,581 | 5,75,53,750 | - | 66% |
| 64 | ABC Cable Network Private Limited | 11,04,470 | (3,86,995) | 39,73,003 | 32,55,528 | - | - | (4,69,115) | - | (4,69,115) | - | 51% |
| 65 | Maitri Cable Network Private Limited | 9,00,000 | (30,04,767) | 21,92,423 | 42,97,190 | - | - | (2,42,355) | - | (2,42,355) | - | 51% |
| 66 | Den Enjoy Cable Networks Private Limited | 1,74,50,020 | 64,60,86,877 | 1,32,69,30,696 | 66,33,93,799 | 1,00,08,800 | 67,99,72,678 | 19,14,94,761 | 5,56,04,601 | 13,58,90,160 | - | 51% |
| 67 | Mahavir Den Entertainment Private Limited | 51,35,760 | 6,26,57,723 | 18,23,74,745 | 11,75,81,262 | - | 13,89,91,419 | 3,08,60,672 | 93,89,004 | 2,14,71,668 | - | 51% |
| 68 | Ambika DEN Cable Network Private Limited | 6,42,860 | 1,59,408 | 24,92,702 | 16,90,434 | - | - | 1,95,143 | 35,821 | 1,59,322 | - | 51% |
| 69 | DEN VM Magic Entertainment Private Limited | 5,00,000 | 26,37,379 | 59,87,047 | 28,49,668 | - | - | (23,24,846) | (92,854) | (22,31,992) | - | 100% |
| 70 | DEN Enjoy SBNM Cable Network Private Limited | 13,50,000 | (4,37,811) | 54,37,810 | 45,25,621 | - | - | (4,88,709) | 1,59,415 | (6,48,124) | - | 51% |

| S.NO. | PARTICULARS | SHARE CAPITAL | RESERVES & SURPLUS | ASSETS | LIABILITY | INVEST-MENTS | TURNOVER | PROFIT BEFORE TAX | TAX EXPENSE | PROFIT AFTER TAX | PRO-POSED DIVIDEND | % OF SHARE-HOLDING |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 71 | Desire Cable Network Private Limited | 14,25,000 | (46,17,551) | 13,00,202 | 44,92,753 | - | - | (9,37,785) | - | (9,37,785) | - | 100% |
| 72 | Den Ambey Cable Networks Private Limited | 2,98,73,540 | 64,84,84,062 | 1,26,02,87,365 | 61,10,51,853 | 2,57,68,278 | 83,24,74,049 | 14,42,95,667 | 4,94,40,563 | 9,48,55,104 | - | 61% |
| 73 | Den Ambey Citi Cable Network Private Limited | 5,00,000 | 55,84,345 | 95,07,738 | 34,23,393 | - | - | 14,98,766 | (8,625) | 15,07,391 | - | 100% |
| 74 | Den Ambey Jhansi Cable Network Private Limited | 6,00,000 | 68,85,612 | 1,15,68,096 | 40,82,484 | - | - | (3,92,745) | 1,51,484 | (5,44,229) | - | 100% |
| 75 | Den Ambey Farukabad Cable Network Private Limited | 5,00,000 | 61,96,559 | 1,12,45,078 | 45,48,519 | - | - | 5,39,604 | (13,782) | 5,53,386 | - | 100% |
| 76 | Den Deva Cable Network Private Limited | 5,00,000 | 26,18,838 | 43,99,659 | 12,80,821 | - | - | 33,63,368 | 7,61,633 | 26,01,735 | - | 100% |
| 77 | Star Channel Den Network Private Limited | 6,98,000 | 17,92,606 | 26,97,032 | 2,06,426 | - | - | (98,816) | 2,573 | (1,01,389) | - | 100% |
| 78 | Den Prayag Cable Networks Private Limited | 5,00,000 | (9,75,365) | 3,34,30,307 | 3,39,05,672 | - | 86,05,299 | (4,13,59,715) | 43,76,682 | (4,57,36,397) | - | 100% |
| 79 | Saturn Digital Cable Private Limited | 5,99,350 | 76,13,391 | 1,09,08,916 | 26,96,175 | - | 1,39,056 | 24,75,225 | 5,38,797 | 19,36,428 | - | 100% |
| 80 | Melody Cable Network Private Limited | 12,50,000 | (10,17,817) | 23,61,598 | 21,29,415 | - | 13,680 | 6,31,427 | - | 6,31,427 | - | 100% |
| 81 | Portrait Cable Network Private Limited | 12,00,000 | (3,38,828) | 21,91,397 | 13,30,225 | - | - | 14,54,337 | - | 14,54,337 | - | 100% |
| 82 | Disk Cable Network Private Limited | 16,57,910 | 63,63,114 | 81,10,194 | 89,170 | 80,00,000 | - | (16,875) | - | (16,875) | - | 51% |
| 83 | DEN STN Television Network Private Limited | 18,00,000 | (31,08,474) | 68,62,980 | 81,71,454 | - | - | (2,43,770) | - | (2,43,770) | - | 51% |
| 84 | Multitrack Cable Network Private Limited | 27,95,000 | (27,24,790) | 33,93,653 | 33,23,443 | - | - | (8,27,461) | 3,224 | (8,30,685) | - | 51% |
| 85 | Den Fateh Mareketing Private Limited | 5,00,000 | (2,99,18,223) | 2,74,77,128 | 5,68,95,351 | - | 36,83,570 | (16,23,043) | 76,661 | (16,99,704) | - | 51% |
| 86 | Den Enjoy Navaratan Network Private Limited | 6,08,200 | 9,73,21,555 | 23,67,14,116 | 13,87,84,361 | - | 12,09,93,350 | 5,97,65,024 | 1,62,77,990 | 4,34,87,034 | - | 51% |
| 87 | Mountain Cable Network Private Limited | 10,00,000 | (32,45,631) | 13,29,181 | 35,74,812 | - | - | (1,43,735) | - | (1,43,735) | - | 51% |
| 88 | Angel Cable Network Private Limited | 10,00,000 | 21,24,454 | 66,39,234 | 35,14,780 | - | - | (3,05,488) | (5,606) | (2,99,882) | - | 51% |
| 89 | Shree Siddhivinayak Cable Network Private Limited | 5,00,000 | (1,94,42,291) | 73,43,478 | 2,62,85,769 | - | 28,43,223 | 5,14,773 | (76) | 5,14,849 | - | 100% |
| 90 | Den Patel Entertainment Network Private Limited | 9,00,000 | (43,66,034) | 38,98,299 | 73,64,334 | - | 1,98,35,067 | (12,06,642) | (7,854) | (11,98,788) | - | 51% |
| 91 | Mahadev Den Cable Network Private Limited | 9,00,000 | (1,98,23,143) | 34,23,199 | 2,23,46,342 | - | 3,17,917 | (52,839) | 7,841 | (60,680) | - | 51% |
| 92 | Den Mcn Cable Network Private Limited | 10,99,200 | (3,97,45,416) | 88,28,785 | 4,74,75,000 | - | 18,52,169 | (5,09,133) | - | (5,09,133) | - | 51% |
| 93 | Drashti Cable Network Private Limited | 5,35,700 | (1,62,39,463) | 45,66,493 | 2,02,70,256 | - | 24,13,078 | (15,58,010) | - | (15,58,010) | - | 82% |
| 94 | Den Rajkot City Communication Private Limited | 1,13,060 | 4,58,77,228 | 24,95,95,144 | 20,36,04,857 | 58,29,708 | 20,39,54,798 | 4,26,53,429 | 1,75,95,926 | 2,50,57,503 | - | 51% |
| 95 | Fortune (Baroda) Network Private Limited | 10,00,000 | (86,14,387) | 71,25,674 | 1,47,40,061 | - | 2,03,57,181 | (40,24,658) | 1,98,743 | (42,23,401) | - | 51% |
| 96 | Galaxy Den Media & Entertainment Private Limited | 5,00,000 | 46,25,577 | 4,18,18,429 | 3,68,50,496 | - | - | - | - | - | - | 51% |
| 97 | United Cable Network (Digital) Private Limited | 5,00,000 | (18,90,090) | 16,88,682 | 30,78,772 | - | 20,16,881 | (6,63,374) | 28,636 | (6,92,010) | - | 51% |
| 98 | Den Sahyog Cable Network Private Limited | 5,00,000 | (1,00,55,329) | 91,23,844 | 1,86,79,173 | - | 25,46,427 | (22,87,628) | 25,73,262 | (48,60,890) | - | 100% |
| 99 | Amogh Broad Band Services Private Limited | 50,000 | (4,00,468) | 61,51,195 | 65,01,663 | - | 57,39,136 | (7,50,733) | - | (7,50,733) | - | 100% |
| 100 | Den-Manoranjan Satellite Private Limited | 7,00,000 | 8,05,34,163 | 34,65,62,665 | 26,53,28,502 | - | 25,81,41,641 | 1,77,81,545 | 49,56,043 | 1,28,25,502 | - | 51% |
| 101 | Den Nashik City Cable Network Private Limited | 5,00,000 | (33,52,266) | 4,73,61,651 | 5,02,13,918 | - | 2,34,726 | (2,14,74,322) | - | (2,14,74,322) | - | 51% |
| 102 | Den Supreme Satellite Vision Private Limited | 5,97,090 | 1,62,28,852 | 4,07,20,739 | 2,38,94,797 | - | 1,40,19,370 | 12,15,096 | 4,08,154 | 8,06,942 | - | 51% |
| 103 | Den Malayalam Telenet Private Limited | 1,19,26,810 | (2,02,96,654) | 1,56,77,091 | 2,40,46,935 | 41,09,580 | 31,26,504 | (29,11,042) | 71,362 | (29,82,404) | - | 51% |
| 104 | Den Malabar Cable Vision Private Limited | 6,00,630 | (61,72,594) | 67,93,522 | 1,23,65,486 | - | 70,945 | (8,45,374) | (16,77,581) | 8,32,207 | - | 51% |

| S.NO. | PARTICULARS | SHARE CAPITAL | RESERVES & SURPLUS | ASSETS | LIABILITY | INVEST-MENTS | TURNOVER | PROFIT BEFORE TAX | TAX EXPENSE | PROFIT AFTER TAX | PRO-POSED DIVIDEND | % OF SHARE-HOLDING |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 105 | Den Elgee Cable Vision Private Limited | 11,22,580 | 27,66,998 | 1,33,60,741 | 94,71,163 | - | 1,13,22,174 | (20,37,296) | (7,96,123) | (12,41,173) | - | 51% |
| 106 | Den Citi Channel Private Limited | 6,45,900 | (1,19,58,110) | 88,31,003 | 2,01,43,213 | - | 36,45,603 | (53,26,951) | (33,82,887) | (19,44,064) | - | 51% |
| 107 | Den Satellite Network Private Limited | 10,05,900 | 71,25,58,471 | 1,78,88,97,905 | 1,07,53,33,534 | 10,28,31,695 | 1,05,13,24,105 | 5,15,72,761 | 1,67,51,043 | 3,48,21,719 | - | 50% |
| 108 | DEN ADN Network Private Limited | 3,80,00,000 | 6,20,79,180 | 37,20,29,417 | 27,19,50,236 | - | 21,33,27,158 | 55,10,296 | 48,86,326 | 6,23,970 | | 51% |
| 109 | CCN DEN Network Private Limited | 4,00,00,000 | (8,30,76,985) | 66,47,37,618 | 70,78,14,603 | - | 30,56,93,042 | (5,96,79,883) | (59,19,325) | (5,37,60,558) | | 51% |
| 110 | Cab-i-Net Communications Private Limited | 2,00,00,000 | (2,69,44,077) | 2,98,24,340 | 3,67,68,417 | - | 3,46,79,594 | 45,92,883 | (30,406) | 46,23,289 | - | 51% |
| 111 | Den Sariga Communications Private Limited | 9,59,550 | (55,50,064) | 14,95,500 | 60,86,013 | - | 2,30,892 | (2,74,142) | 38,560 | (3,12,702) | - | 51% |
| 112 | Den Kattakada Telecasting and Cable Services Private Limited | 9,95,580 | (2,38,08,145) | 24,83,617 | 2,52,96,182 | - | 53,07,421 | (23,90,035) | 55,019 | (24,45,054) | - | 100% |
| 113 | Sree Gokulam Starnet Communication Private Limited | 1,00,000 | (1,61,36,360) | 4,24,848 | 1,64,61,208 | - | - | (2,31,719) | - | (2,31,719) | - | 51% |
| 114 | DEN Discovery Digital Networks Private Limited | 3,66,420 | 2,95,19,604 | 39,66,37,558 | 36,67,51,534 | - | 22,36,83,122 | (44,57,107) | (21,00,928) | (23,56,179) | - | 51% |
| 115 | Den Premium Multilink Cable Network Private Limited | 1,00,000 | 2,26,60,055 | 33,36,52,675 | 31,08,92,620 | 25,000 | 21,01,76,111 | 1,18,26,007 | 1,97,56,583 | (79,30,576) | - | 51% |
| 116 | Den MTN Star Vision Private Limited | 6,76,890 | (7,72,124) | 38,10,417 | 39,05,651 | - | 46,60,900 | (7,07,111) | (5,129) | (7,01,982) | - | 51% |

**"Annexure A" -Part B**

| S. No. | Name of associates/Joint Ventures | DEN ADN Network Private Limited | CCN DEN Network Private Limited | Den Satellite Network Private Limited (see note below) |
|---|---|---|---|---|
| 1 | Latest audited Balance Sheet Date | 31.03.2018 | 31.03.2018 | 31.03.2018 |
| 2 | Shares of Associate/Joint Ventures held by the company on the year end | | | |
| | Number of Shares | 19,38,000 | 20,40,000 | 50,295 |
| | Amount of Investment in Associates/Joint Venture | 20.91 | 20.4 | 461.58 |
| | Extend of Holding% | 51 | 51 | 50 |
| 3 | Description of how there is significant influence | | | |
| 4 | Reason why the associate/joint venture is not consolidated | These subsidiaries are not meeting definition of Control in terms of IND AS. | | |
| 5 | Net worth attributable to shareholding as per latest audited Balance Sheet | 100.08 | 4.44 | 602.9 |
| 6 | Profit/Loss for the year | | | |
| | Considered in Consolidation | 0.18 | (27.42) | 21.34 |
| | Not Considered in Consolidation | 0.17 | (26.36) | 29.16 |

note :
Including Profit/Loss of step down subsidiaries

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

**S.N. Sharma**
Chief Executive Officer

**Ajaya Chand**
Director
DIN : 02334456

**Himanshu Jindal**
Chief Financial Officer

**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# Annexure B

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

**1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmers.**

The Company has identified following focus areas of engagement:

| | |
|---|---|
| Rural Transformation | Creating sustainable livelihood solutions, addressing poverty, hunger and malnutrition |
| Health | Affordable solutions for healthcare through improved access , awareness and health seeking behavior |
| Education | Environmental sustainability, ecological balance, conservation of natural resources |
| Arts, Heritage and Culture | Protection and promotion of India's art, culture and heritage |
| Environment | Environmental sustainability, ecological balance, conservation of natural resources |
| Disaster Response | Managing and responding to disaster |
| Promotion of Sports | Training to promote rural sports, nationally recognized sports, Paralympics sports, Olympic sports and promote sports at gross root level |
| Community Development | Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes etc., |
| Other Initiatives | To undertake other need based initiatives in compliance with Schedule VII of the Companies Act, 2013 |

**CSR policy is stated herein below:**

CSR Policy (Approved by the Board of Directors on 30th May, 2014)

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large.

**Web Link: http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance**

**2. Composition of CSR committee**

| S. No. | Name of Directors | Designation |
|---|---|---|
| 1 | Ajaya Chand | Chairman of the Committee |
| 2 | Sameer Manchanda | Member of the Committee |
| 3 | Robindra Sharma | Member of the Committee |

**3. Average net profit of the company for last three financial years:**

Average net profit: There is a negative average net-profit for last three financial years.

**4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)**

Nil - As average net profit is negative.

**5. Details of CSR spend for the financial year:**

a) Total amount spent for the financial year: Nil

b) Amount unspent if any (for previous financial year): Rs. 09.19 Lac

c) Manner in which the amount spent during the financial year is detailed below – N/A

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:**

The endeavor of the Company is to incur the unspent amount as per CSR focus areas. There is an amount of Rs. 9.19 Lac which is unspent. The Company is in process of identifying the right area as per CSR activities of the Company and will endeavor to spend the same in the current financial year.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**

The CSR Committee confirm that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

**For and on behalf of the Board of Directors**

**Sd/-**
**Sameer Manchanda**
**Chairman Managing Director**
**DIN : 00015459**

**Sd/-**
**Ajaya Chand**
**Chairman of CSR Committee**
**DIN : 02334456**

**Date: 03.08.2018**
**Place: New Delhi**

# Annexure C

**Disclosure of the Remuneration of Directors, Key Managerial Personnel and Employees**

(Pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

| | | |
|---|---|---|
| 1 | The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year | 57:1 |
| 2 | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or manager, if any, in the financial year | There is no increase in remuneration of Directors, CFO and CEO except 10 % increase in the salary of Whole Time Secretary during the year. |
| 3 | The percentage increase in the median remuneration of employees in the financial year; | The percentage increase in the median remuneration of the employees in the financial year was around 7%. |
| 4 | The number of permanent employees on the rolls of the Company; | 640 |
| 5 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | The average percentage increase made in the salaries of total employees other than Key Managerial Personnel during the financial year 2017-18 was around 7% while the average increase in the remuneration of Key Managerial Personnel was Nil, except of Whole Time Secretary.<br><br>While recommending the increase in remuneration of its employees, the Company considered overall organization performance, industry benchmarking, cost of living adjustment/inflation apart from individual performance on the basis of Balanced scorecard approach.<br><br>The total compensation is a prudent mix of fixed and variable pay in the form of performance pay. The proportion of variable pay to total compensation is higher at senior level and lower at middle level.<br><br>The performance of the Company has bearing on the quantum of Variable pay declared for employees across senior level and middle level. |
| 6 | Affirmation that the remuneration is as per the remuneration policy of the company | It is hereby affirmed that the Remuneration paid to the Directors, Key Managerial Personnel and Employees is as per the Remuneration and Human Resource Policy. |

**For and on behalf of the Board of Directors**

**Sd/-**
**Sameer Manchanda**
**Chairman Managing Director**
**DIN : 00015459**

**Date: 03.08.2018**
**Place: New Delhi**

# Annexure D

## Form No. MR-3

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2018**

**To,**

**The Members,**
**Den Networks Limited**
**236, Okhla Industrial Estate,**
**Phase-III, New Delhi-110020**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Den Networks Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act"):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

vi. Following are the other acts applicable on the Company;

(a) Maternity Benefit Act, 1961 and rules framed thereunder;

(b) Employee' Provident Fund Act and Miscellaneous Provisions Act, 1952 and rules framed thereunder;

(c) Employee State Insurance Act, 1948 and rules framed thereunder;

(d) The Delhi Shops and Establishments Act,1954 and rules framed thereuder;

(e) The Payment of Gratuity Act, 1972 and rules framed thereunder;

(f) Payment of Bonus Act, 1965 and rules framed thereunder;

(g) Cable Television Network (Regulation) Act, 1995 and rules framed thereunder;

(h) Equal Remuneration Act, 1976 and rules framed thereunder;

(i) Payment of Wages Act, 1936 and rules frame thereunder;

(j) Minimum Wages Act, 1948 and rules framed thereunder;

**We have also examined compliance with the applicable clauses of the following:**

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with the BSE Ltd and National Stock Exchange of India Limited to the date applicable.

iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the date applicable

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Place:** New Delhi
**Date:** 03.08.2018

For **NKJ & Associates**
**Company Secretaries**

**Sd/-**
**Neelesh Kr. Jain**
**FCS No. :5593**
**C P No.:5233**

This report is to be read with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

## Annexure I

**To,**

**The Members,**
**Den Networks Limited**
**236, Okhla Industrial Estate,**
**Phase-III, New Delhi-110020**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place:** New Delhi
**Date:** 03.08.2018

For **NKJ & Associates**
**Company Secretaries**

**Sd/-**
**Neelesh Kr. Jain**
**FCS No. :5593**
**C P No.:5233**

# Annexure E

## Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**
**As on the financial year ended on**
**31st March, 2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

| | | | |
|---|---|---|---|
| i) | CIN | : | L92490DL2007PLC165673 |
| ii) | Registration Date | : | 10/07/2007 |
| iii) | Name of the Company | : | DEN Networks Limited |
| iv) | Category / Sub-Category of the Company | : | Company Limited by Shares |
| v) | Address of the registered office and contact details | : | 236, Okhla Industrial Estate, Phase-III, New Delhi-110020 |
| vi) | Whether listed company | : | YES |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent | : | M/s Karvy Computershare Private Limited<br>Karvy House, 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad- 500 034<br>Ph: +91 40 2342 0815 Fax: +91 40 2342 0814<br>Email: einward.ris@karvy.com |

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---|---|---|---|
| 1 | Cable Distribution Services | 602 | 100 (Standalone basis) |

| | | |
|---|---|---|
| **III.** | **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:** | Attachment 1 |
| **IV.** | **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)** | |
| | Category-wise Share Holding | Attachment 2 |
| | Shareholding of Promoters | Attachment 3 |
| | Change in Promoters' Shareholding ( please specify, if there is no change) | Attachment 4 |
| | Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): | Attachment 5 |
| | Shareholding of Directors and Key Managerial Personnel: | Attachment 6 |
| **V** | **INDEBTEDNESS** | Attachment 7 |
| **VI** | **REMUNERATION TO MD,WTD AND/OR MANAGER** | Attachment 8 |
| | **REMUNERATION OF OTHER DIRECTORS** | Attachment 9 |
| | **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD** | Attachment 10 |
| **VII** | **PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES** | Attachment 11 |

**Attachment 1 to Annexure E**

**Direct Subsidiaries**

| S. No. | Name of Company | CIN No. | Registered office | Equity Holding of DEN/ Direct subs. of DEN | Preference Holding of DEN/ Direct subs. of DEN | Applicable Section |
|---|---|---|---|---|---|---|
| 1 | Den Broadband Private Limited (formerly known as Skynet Cable Network Private Limited) | U74140DL2011PTC228312 | 236, Okhla Industrial Area, Phase III, New Delhi- 110020 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 2 | Amogh Broad Band Services Private Limited | U64202DL2004PTC310427 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 3 | Den Futuristic Cable Networks Private Limited | U28910DL2007PTC169149 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 4 | Den Kattakada Telecasting and Cable Services Private Limited | U64204KL2010PTC026349 | 5/229, Punnamkonam, Kachani, Vattiyoorkavu Trivandrum, Thiruvananthapuram – 695013 | *100.00 | - | Section 2 (87) (i) & (ii) |
| 5 | Den Sahyog Cable Network Private Limited | U64204GJ2008PTC054811 | A-11, Alnoor Society, Near G.E.B Power House, National Highway, Balasinor Nadiad Kheda - 388255 | *100.00 | - | Section 2 (87) (i) & (ii) |
| 6 | DEN VM Magic Entertainment Private Limited | U93000UP2011PTC045043 | First Floor , Harsh Plaza 4, D Meerabai Marg, Lucknow, Uttar Pradesh – 226 001 | *100.00 | - | Section 2 (87) (i) & (ii) |
| 7 | Desire Cable Network Private Limited | U93000DL2013PTC261455 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | *100.00 | - | Section 2 (87) (i) & (ii) |
| 8 | Victor Cable TV Network Private Limited | U92190DL2011PTC214185 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | *100.00 | - | Section 2 (87) (i) & (ii) |
| 9 | Shree Siddhivinayak Cable Network Private Limited | U74999GJ2006PTC047655 | 304 Param Complex Nr. Vmcgas Office Dandi Bazar Baroda, 1, Vadodara, Gujarat | *100.00 | - | Section 2 (87) (i) & (ii) |
| 10 | Adhunik Cable Network Private Limited | U92490DL2012PTC243760 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 11 | Ambika DEN Cable Network Private Limited | U92490DL2011PTC214705 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 12 | Antique Communications Private Limited | U22210DL2011PTC225171 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 13 | Augment Cable Network Private Limited | U92120DL2013PTC258409 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 14 | Bali Den Cable Network Private Limited | U64204DL2008PTC183656 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.04 | - | Section 2 (87) (i) & (ii) |
| 15 | Big Den Entertainment Private Limited | U92100DL2010PTC211666 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 16 | Blossom Entertainment Private Limited | U92490DL2012PTC231482 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 17 | Cab-i-Net Communications Private Limited | U64204KL2003PTC016398 | R No 24, Chirakkadav Panchayath Shopping Complex, Ponkunnam Kanjirappally, Kottayam, Kerala – 686 506 | 51.02 | - | Section 2 (87) (i) & (ii) |
| 18 | CCN DEN Network Private Limited | U74900DL2011PTC228433 | C-1/9, Krishan Nagar, New Delhi -110051 | 51.00 | - | Section 2 (87) (ii) |
| 19 | Crystal Vision Media Private Limited | U32200DL2008PTC178126 | E-7, IInd Floor, Kalkaji, Delhi -110 019 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 20 | Den A.F. Communication Private Limited | U74120DL2008PTC185868 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 21 | DEN ADN Network Private Limited | U74999DL2011PTC227604 | 11/15, IIird Floor, East Patel Nagar, New Delhi – 110008 | 51.00 | - | Section 2 (87) (ii) |
| 22 | Den Aman Entertainment Private Limited | U22300DL2008PTC182743 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 23 | DEN Ambey Cable Networks Private Limited | U92130DL2007PTC167995 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 61.00 | - | Section 2 (87) (i) & (ii) |

| S. No. | Name of Company | CIN No. | Registered office | Equity Holding of DEN/ Direct subs. of DEN | Preference Holding of DEN/ Direct subs. of DEN | Applicable Section |
|---|---|---|---|---|---|---|
| 24 | Den Ashu Cable Private Limited | U74900DL2008PTC182001 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 25 | DEN BCN Suncity Network Private Limited | U45400DL2007PTC171510 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.02 | - | Section 2 (87) (i) & (ii) |
| 26 | Den Bindra Network Private Limited | U32200DL2008PTC179490 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 27 | Den Budaun Cable Network Private Limited | U64203DL2008PTC180352 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 28 | Den Citi Channel Private Limited | U92130DL2008PTC180353 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | 100 | Section 2 (87) (i) & (ii) |
| 29 | Den Classic Cable TV Services Private Limited | U45400DL2008PTC172523 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 30 | DEN Crystal Vision Network Private Limited | U72300DL2007PTC171606 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 31 | Den Digital Cable Network Private Limited | U45400DL2008PTC174017 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 88.57 | - | Section 2 (87) (i) & (ii) |
| 32 | Den Discovery Digital Networks Private Limited | U74900MH2013PTC240517 | Office No.103, Mayur Plaza, 1st Floor, Wadala Naka, Nashik, Maharashtra – 422 002 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 33 | Den Elgee Cable Vision Private Limited | U32200DL2008PTC181773 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 34 | Den Enjoy Cable Networks Private Limited | U32204DL2007PTC168283 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 35 | Den F K Cable TV Network Private Limited | U72900DL2008PTC175841 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 36 | Den Fateh Marketing Private Limited | U52599UP2007PTC032860 | C/O Singh Automobile, Opposite Nagar Nigam, Bareilly-243001 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 37 | DEN Harsh Mann Cable Network Private Limited | U32200DL2007PTC171679 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 38 | Den Jai Ambey Vision Cable Private Limited | U22130DL2008PTC176266 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 39 | Den Kashi Cable Network Private Limited | U15122DL2007PTC169854 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | 100.00 | Section 2 (87) (i) & (ii) |
| 40 | DEN Krishna Cable TV Network Private Limited | U92130DL2007PTC171613 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 74.00 | - | Section 2 (87) (i) & (ii) |
| 41 | Den Maa Sharda Vision Cable Networks Private Limited | U22210DL2007PTC169459 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 42 | Den Mahendra Satellite Private Limited | U32200DL2007PTC171687 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 60.00 | - | Section 2 (87) (i) & (ii) |
| 43 | Den Malabar Cable Vision Private Limited | U32304DL2008PTC180671 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 44 | DEN Malayalam Telenet Private Limited | U64204KL2004PTC016811 | III Floor, Parappilly Buildings, S.A Road, Panampilly Road, Cochin, Kerala – 682 036 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 45 | Den MCN Cable Network Private Limited | U64200DL2008PTC176265 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 46 | Den Mod Max Cable Network Private Limited | U45400DL2007PTC171553 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 47 | Den Nashik City Cable Network Private Limited | U92190MH2007PTC171273 | 1st Floor, Below Vighnahar Hospital Mayur Plaza, Near Dwarka Nashik, Maharashtra – 422001 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 48 | DEN Patel Entertainment Network Private Limited | U92190GJ2008PTC052588 | 45/299, Gujarat Housing Board, Palanpur Patiya, Rander Road, Surat Gujarat – 395 009 | 51.00 | - | Section 2 (87) (i) & (ii) |

| S. No. | Name of Company | CIN No. | Registered office | Equity Holding of DEN/ Direct subs. of DEN | Pref-erence Holding of DEN/ Direct subs. of DEN | Applicable Section |
|---|---|---|---|---|---|---|
| 49 | DEN Pawan Cable Network Private Limited | U72900DL2007PTC171513 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 63.00 | - | Section 2 (87) (i) & (ii) |
| 50 | Den Pradeep Cable Network Private Limited | U64202DL2008PTC172764 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 51 | Den Premium Multilink Cable Network Private Limited | U74990MH2010PTC201849 | Shop No. 5, Kapote Meher Market, Wadala Naka, Nashik, Maharashtra – 422 001 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 52 | Den Prince Network Private Limited | U72900DL2007PTC171605 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 53 | Den Radiant Satelite Cable Net-work Private Limited | U32300DL2008PTC174699 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 65.00 | - | Section 2 (87) (i) & (ii) |
| 54 | Den Rajkot City Communication Private Limited | U64204GJ2006PTC049169 | 3rd Floor, Rameshwar Appartment 4-Manhar Plot, Mangala Road, Rajkot, Gujarat - 360001 | 50.98 | - | Section 2 (87) (i) & (ii) |
| 55 | Den Sariga Communications Private Limited | U92100KL2010PTC025881 | Sunaina Building, Moonampadi, Malappuram, Kerala - 676505 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 56 | Den Satellite Cable TV Network Private Limited | U32200DL2007PTC171688 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 57 | Den Satellite Network Private Limited | U74990MH2008PTC177440 | 401/402 Sentinel Above Pizza Hut Aadishankar Acharya Marg,,Hiranan-dani Garden,Powai Mumbai, M.H 400076 | 50.00 | - | Section 2 (87) (i) |
| 58 | Den Steel City Cable Network Private Limited | U92100DL2011PTC212150 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 59 | Den Supreme Satellite Vision Private Limited | U74900MH2008PTC181400 | 710, Prabhat Centre Annexe, Sector 6, CBD Belapur, Navi Mumbai, Thane, Maharashtra -400 614 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 60 | DEN Varun Cable Network Private Limited | U64200DL2008PTC172193 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 61 | Den-Manoranjan Satellite Private Limited | U93132PN2000PTC014507 | Plot No 212 Sector 21yamunanagar Nigdi, Pune, Maharashtra- 411 044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 62 | Devine Cable Network Private Limited | U22211DL2011PTC223652 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 63 | Disk Cable Network Private Limited | U93000DL2011PTC228033 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 64 | Drashti Cable Network Private Limited | U74120DL2008PTC173551 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | **82.85 | - | Section 2 (87) (i) & (ii) |
| 65 | Ekta Entertainment Network Private Limited | U92100DL2010PTC210266 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 66 | Eminent Cable Network Private Limited | U92400DL2012PTC231558 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 56.00 | - | Section 2 (87) (i) & (ii) |
| 67 | Fab Den Network Private Limited | U64200DL2008PTC185866 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 68 | Fortune (Baroda) Network Private Limited | U72200GJ2003PTC043302 | At C 301, Yesha Apartmentnr, Ljain Temple, Manjalpur, Baroda, Vadodara, Gujarat - 390011 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 69 | Galaxy Den Media & Entertain-ment Private Limited | U64204GJ2008PTC054775 | Jay, Shri Nivas Colony – 3, Summair Club Road, Jamnagar, Gujarat – 361,005 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 70 | Gemini Cable Network Private Limited | U92190DL2011PTC214388 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | 100.00 | Section 2 (87) (i) & (ii) |
| 71 | Glimpse Communications Private Limited | U93000DL2011PTC225601 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 72 | Indradhanush Cable Network Private Limited | U92490DL2012PTC243484 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |

| S. No. | Name of Company | CIN No. | Registered office | Equity Holding of DEN/ Direct subs. of DEN | Preference Holding of DEN/ Direct subs. of DEN | Applicable Section |
|---|---|---|---|---|---|---|
| 73 | Jhankar Cable Network Private Limited | U92490DL2012PTC243921 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 74 | Libra Cable Network Private Limited | U92490DL2012PTC246586 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 75 | Mahadev Den Cable Network Private Limited | U92190GJ2008PTC052585 | A-1, 4th Floor, Samarth Park, Chhapra Bhatha Road, Amroli Char Rasta, Surat, Gujarat – 395 004 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 76 | Mahavir Den Entertainment Private Limited | U74900DL2009PTC192223 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.15 | 100.00 | Section 2 (87) (i) & (ii) |
| 77 | Mansion Cable Network Private Limited | U92490DL2012PTC246019 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 66.00 | 100.00 | Section 2 (87) (i) & (ii) |
| 78 | Marble Cable Network Private Limited | U92412DL2013PTC258465 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 79 | Meerut Cable Network Private Limited | U92132UP2003PTC027856 | 2nd Floor, Niranjan Vatika, Near Bachha Park Begum Bridge, Meerut, Uttar Pradesh - 250002 | 51.00 | 100.00 | Section 2 (87) (i) & (ii) |
| 80 | Multi Channel Cable Network Private Limited | U22100DL2011PTC223086 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 81 | Multi Star Cable Network Private Limited | U32201DL2011PTC222729 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 82 | Multitrack Cable Network Private Limited | U93030UP2012PTC050744 | 75, Ram Nagar Colony, Shahjahanpur, Uttar Pradesh-242001 | 51.01 | - | Section 2 (87) (i) & (ii) |
| 83 | Nectar Entertainment Private Limited | U22100DL2011PTC224182 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 84 | Radiant Satellite (India) Private Limited | U72200RJ2006PTC022867 | 106, Vallabh Bari, Gumanpura, Kota, Rajasthan – 324 007 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 85 | Rose Entertainment Private Limited | U92190DL2012PTC232947 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 86 | Sanmati DEN Cable TV Network Private Limited | U22190DL2011PTC222875 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 87 | Sanmati Entertainment Private Limited | U92490DL2011PTC215278 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 88 | Silverline Television Network Private Limited | U93000WB2011PTC169094 | P-31 Nani Gopal Roy Chowdhury Avenue, Entally, Kolkata, West Bengal-700014 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 89 | Sree Gokulam Starnet Communication Private Limited | U92132TN2000PTC046037 | 66, Arcot Roadkodambakkam, Chennai - 600 024 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 90 | Trident Entertainment Private Limited | U92130DL2012PTC231610 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 91 | United Cable Network (Digital) Private Limited | U64204GJ2008PTC054677 | G-9,Shreeji Ashtha Avenues, Near A. C. Nilsen, Opp Balaji Hospital,Ellora Park, Vadodara, Gujarat – 390 007 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 92 | VBS Digital Distribution Network Private Limited | U70102UP2015PTC075160 | 4/482 Vikas Nagar, Lucknow U.P-226022 | 51.00 | - | Section 2 (87) (i) & (ii) |

*51 % held directly and 49% through Wholly Owned Subsidiary Company.
** 51% held directly and 31.85% through Wholly Owned Subsidiary Company.

## Indirect Subsidiaries

| S. No. | Name of Company | CIN No. | Registered office | Equity Holding of DEN/ Direct subs. of DEN | Preference Holding of DEN/ Direct subs. of DEN | Applicable Section |
|---|---|---|---|---|---|---|
| 1 | ABC Cable Network Private Limited | U93000DL2013PTC262119 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 2 | Angel Cable Network Private Limited | U92100DL2013PTC258418 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 3 | DEN ABC Cable Network Ambarnath Private Limited | U74996MH2012PTC231855 | 201 / 202, Plot No.2, Pratibha Appartment, Kansai Section, Shivaji Chowk, Ambernath East Thane -421501, MH | 51.00 | - | Section 2 (87) (i) & (ii) |
| 4 | Bhadohi DEN Entertainment Private Limited | U92490DL2011PTC216382 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 5 | Srishti DEN Networks Private Limited | U92100DL2012PTC235925 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 6 | Mountain Cable Network Private Limited | U92130DL2013PTC248531 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 7 | Maitri Cable Network Private Limited | U92100DL2013PTC249134 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 8 | Kishna DEN Cable Networks Private Limited | U74900DL2009PTC188100 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 9 | Konark IP Dossiers Private Limited | U22222MH2010PTC199749 | 1st Floor, Himath Plaza, Powai Chowk, Ulhasnagar, Thane, Maharashtra - 421003 | 50.00 | - | Section 2 (87) (i) & (ii) |
| 10 | Fun Cable Network Private Limited | U92490DL2010PTC211506 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 11 | Divya Drishti Den Cable Network Private Limited | U74900DL2009PTC192059 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 12 | Den Ambey Citi Cable Network Private Limited | U22200DL2007PTC169460 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 13 | Den Ambey Farukabad Cable Network Private Limited | U64203DL2008PTC183996 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 14 | Den Ambey Jhansi Cable Network Private Limited | U64203DL2008PTC183964 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 15 | Star Channel Den Network Private Limited | U64204DL2008PTC183868 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 16 | Saturn Digital Cable Private Limited | U92100DL2011PTC214655 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 17 | Portrait Cable Network Private Limited | U92100DL2013PTC249351 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 18 | Melody Cable Network Private Limited | U92490DL2013PTC249148 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 19 | Den Deva Cable Network Private Limited | U64202DL2008PTC172403 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 20 | Den Enjoy Navaratan Network Private Limited | U64200DL2008PTC173660 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 21 | DEN Enjoy SBNM Cable Network Private Limited | U92490DL2011PTC212146 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 22 | Den Saya Channel Network Private Limited | U72900DL2008PTC178181 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 23 | DEN STN Television Network Private Limited | U74300DL2012PTC230263 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 51.00 | - | Section 2 (87) (i) & (ii) |

| S. No. | Name of Company | CIN No. | Registered office | Equity Holding of DEN/ Direct subs. of DEN | Preference Holding of DEN/ Direct subs. of DEN | Applicable Section |
|---|---|---|---|---|---|---|
| 24 | Den Faction Communication System Private Limited | U32202DL2008PTC176973 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100 | - | Section 2 (87) (i) & (ii) |
| 25 | DEN MTN Star Vision Networks Private Limited | U64204KL2013PTC033302 | 4/398, Irimpanam -Eroor Road, Irimpanam Tripunithura Municipality Ernakulam , Kerala - 682309 | 51.00 | - | Section 2 (87) (i) & (ii) |
| 26 | DEN Prayag Cable Networks Private Limited | U32204DL2007PTC167574 | B-II/32, Mohan Co-operative Industrial Estate, Badarpur, New Delhi-110044 | 100.00 | - | Section 2 (87) (i) & (ii) |
| 27 | DEN New Broad Communication Private Limited | U93090MH2010PTC202739 | P P Chambers, 3rd Floor, Near KDMC Bhagat Singh Path, Dombivali East, Thane, Maharashtra – 421 201 | 51.00 | - | Section 2 (87) (i) & (ii) |

**Attachment 2 to Annexure E**

## Category-wise Share Holding

| S. No. | CATEGORY OF SHAREHOLDER | No. of Shares held at the beginning of the year (01-04-2017) | | | | No. of Shares held at the end of the year (31-03-2018) | | | | % change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| (I) | (II) | | | | | | | | | |
| (A) | **PROMOTER AND PROMOTER GROUP** | | | | | | | | | |
| (1) | INDIAN | | | | | | | | | |
| (a) | Individual /HUF | 508,07,950 | - | 508,07,950 | 26.19 | 508,07,950 | | 508,07,950 | 25.95 | 0.24 |
| (b) | Central Government/State Government(s) | - | - | - | - | | | | | |
| (c) | Bodies Corporate | 205,52,470 | - | 205,52,470 | 10.59 | 205,52,470 | | 205,52,470 | 10.50 | 0.09 |
| (d) | Financial Institutions / Banks | - | - | - | - | | | | | |
| (e) | Others | - | - | - | - | | | | | |
| | | - | | - | - | | | | | |
| | **Sub-Total A(1) :** | **713,60,420** | **-** | **713,60,420** | **36.78** | **713,60,420** | | **713,60,420** | **36.45** | **0.33** |
| | | | | | | | | | | |
| **(2)** | **FOREIGN** | | | | | | | | | |
| (a) | Individuals (NRIs/Foreign Individuals) | - | - | - | - | | - | - | - | - |
| (b) | Bodies Corporate | - | - | - | - | | - | - | - | - |
| (c) | Institutions | - | - | - | - | | - | - | - | - |
| (d) | Qualified Foreign Investor | - | - | - | - | | - | - | - | - |
| (e) | Others | - | - | - | - | | - | - | - | - |
| | **Sub-Total A(2) :** | **-** | **-** | **-** | **-** | | **-** | **-** | **-** | **-** |
| | **Total A=A(1)+A(2)** | **713,60,420** | **-** | **713,60,420** | **36.78** | **713,60,420** | | **713,60,420** | **36.45** | **0.33** |
| | | | | | | | | | | |
| **(B)** | **PUBLIC SHAREHOLDING** | | | | | | | | | |
| (1) | INSTITUTIONS | | | | | | | | | |
| (a) | Mutual Funds /UTI | - | - | - | - | | | | | |
| (b) | Financial Institutions /Banks | 19,16,644 | - | 19,16,644 | 0.99 | 18,97,148 | | 18,97,148 | 0.97 | 0.02 |
| (c) | Central Government / State Government(s) | - | - | - | - | - | - | - | - | - |
| (d) | Venture Capital Funds | - | - | - | - | - | - | - | - | - |

| S. No. | CATEGORY OF SHAREHOLDER | No. of Shares held at the beginning of the year (01-04-2017) | | | | No. of Shares held at the end of the year (31-03-2018) | | | | % change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| (e) | Insurance Companies | - | - | - | - | - | - | - | - | - |
| (f) | Foreign Institutional Investors | 377,83,785 | - | 377,83,785 | 19.47 | 347,33,441 | | 347,33,441 | 17.74 | 1.73 |
| (g) | Foreign Venture Capital Investors | - | - | - | - | | | | | |
| (h) | Qualified Foreign Investor | - | - | - | - | | | | | |
| (i) | Others | 566,74,149 | - | 566,74,149 | 29.21 | 560,80,310 | | 560,80,310 | 28.65 | 0.56 |
| | **Sub-Total B(1) :** | **963,74,578** | **-** | **963,74,578** | **49.67** | **927,10,899** | | **927,10,899** | **47.36** | **2.31** |
| | | | | - | | | | | | |
| **(2)** | **NON-INSTITUTIONS** | | | - | | | | | | |
| (a) | Bodies Corporate | 125,72,272 | - | 125,72,272 | 6.48 | 135,28,341 | - | 135,28,341 | 6.91 | 0.43 |
| (b) | Individuals | | | | - | | | | | |
| | (i) Individuals holding nominal share capital upto Rs.1 lakh | 26,47,643 | 70,927 | 27,18,570 | 1.40 | 38,05,750 | 57,615 | 38,63,365 | 1.97 | 0.57 |
| | (ii) Individuals holding nominal share capital in excess of Rs.1 lakh | 98,94,383 | 1,37,790 | 100,32,173 | 5.17 | 113,07,268 | 1,37,790 | 114,45,058 | 5.85 | 0.68 |
| (c) | Others | - | - | - | - | - | - | - | - | - |
| | FOREIGN BODIES | - | - | - | - | | | | | - |
| | CLEARING MEMBERS | 55,579 | - | 55,579 | 0.03 | 1,56,515 | | 1,56,515 | 0.08 | 0.05 |
| | NON RESIDENT INDIANS | 6,06,053 | - | 6,06,053 | 0.31 | 3,09,116 | | 3,09,116 | 0.16 | 0.15 |
| | TRUSTS | 3,00,800 | - | 3,00,800 | 0.16 | 100 | | 100 | 0.00 | 0.16 |
| | NBFC REGISTERED WITH RBI | 5,400 | - | 5,400 | 0.00 | 4,000 | | 4,000 | 0.00 | 0.00 |
| | ALTERNATIVE INVESTMENT FUND | - | - | - | - | 19,40,100 | | 19,40,100 | 0.99 | 0.99 |
| (d) | Qualified Foreign Investor | | - | - | - | | | | | - |
| | **Sub-Total B(2) :** | **260,82,130** | **2,08,717** | **262,90,847** | **13.55** | **310,51,190** | **195,405** | **312,46,595** | **15.96** | **3.03** |
| | | | | - | | | | | | |
| | **Total B=B(1)+B(2) :** | **1224,56,708** | **2,08,717** | **12,26,65,425** | **63.22** | **12,37,62,089** | **195,405** | **12,39,57,494** | **63.32** | **5.34** |
| | **Total (A+B) :** | **1938,17,128** | **2,08,717** | **1940,25,845** | **100.00** | **19,51,22,509** | **195,405** | **19,53,17,914** | **99.77** | |
| | | | | | | | | | | |
| (C) | Shares held by custodians, against which Depository Receipts have been issued | | | | | | | | | |
| (1) | Promoter and Promoter Group | - | - | - | - | | - | - | - | - |
| (2) | Public | - | - | - | | | - | - | | - |
| | **Total C :** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| (D) | NON PROMOTER AND NON PUBLIC | | | | | | | | | |
| | Employee Benefit Trust | - | - | - | - | 4,57,931 | - | 4,57,931 | 0.23 | 0.23 |
| | **Total D :** | | | | | **4,57,931** | **-** | **4,57,931** | **0.23** | **0.23** |
| | **GRAND TOTAL (A+B+C+D) :** | **1938,17,128** | **2,08,717** | **1940,25,845** | **100.00** | **19,55,80,440** | **195,405** | **19,57,75,845** | **100** | **5.57** |

*. Percentage rounded off up to two decimal place*

***Attachment 3 to Annexure E***
***Shareholding of Promoters and promoters' group***

| S. No. | Name of the Shareholder | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total shares of the company | % of shares pledged/ encumbered to total shares | No. of Shares | % of total shares of the company | % of shares pledged/ encumbered to total shares | |
| **PROMOTER (A)** | | | | | | | | |
| 1 | SAMEER MANCHANDA | 466,54,550 | 24.05 | Nil | 466,54,550 | 23.83 | NIL | (0.22) |
| 2 | LUCID SYSTEMS PRIVATE LIMITED | 160,00,000 | 8.25 | 4.23 | 160,00,000 | 8.17 | 37.5* | (0.08) |
| **PROMOTER GROUP (B)** | | | | | | | | |
| 1 | SANJEEV MANCHANDA | 25,000 | 0.01 | Nil | 25,000 | 0.01 | NIL | (0.00) |
| 2 | VANDANA MANCHANDA | 3,70,900 | 0.19 | Nil | 3,70,900 | 0.19 | NIL | (0.00) |
| 3 | VERVE ENGINEERING PRIVATE LIMITED | 45,29,670 | 2.33 | Nil | 45,29,670 | 2.31 | NIL | (0.02) |
| 4 | KAVITA MANCHANDA | 37,57,500 | 1.94 | Nil | 37,57,500 | 1.92 | NIL | (0.02) |
| 5 | ACCESS EQUITY PVT LTD | 22,800 | 0.01 | Nil | 22,800 | 0.01 | Nil | (0.00) |
| | TOTAL (A+B) : | 713,60,420 | 36.78 | 4.23 | 713,60,420 | 36.45 | | (0.34) |

*Percentage rounded off up to two decimal place*
**60,00,000 equity shares are pledged i.e., 37.5 % of 160,00,000 shares. However, as on adoption of Director's Report there is NIL pledged shares.*

***Attachment 4 to Annexure E***
***Change in Promoters' Shareholding***

| Name of the Shareholder | Shareholding at the beginning of the Year | | Date | Sale/ Purchase (No. of shares) | Reason | Cumulative Shareholding during the Year | |
|---|---|---|---|---|---|---|---|
| | No of Shares | % of total shares of the company | | | | No of Shares | % of total shares of the company* |
| SAMEER MANCHANDA | 466,54,550 | 24.05 | 31/03/2017 | - | - | 466,54,550 | 24.05 |
| | | | 31/03/2018 | - | - | 466,54,550 | 23.83 |
| LUCID SYSTEMS PRIVATE LIMITED | 160,00,000 | 8.25 | 31/03/2017 | - | - | 160,00,000 | 8.25 |
| | | | 31/03/2018 | - | - | 160,00,000 | 8.17 |
| VERVE ENGINEERING PRIVATE LIMITED | 45,29,670 | 2.33 | 31/03/2017 | - | - | 45,29,670 | 2.33 |
| | | | 31/03/2018 | - | - | 45,29,670 | 2.31 |
| KAVITA MANCHANDA | 37,57,500 | 1.94 | 31/03/2017 | - | - | 37,57,500 | 1.94 |
| | | | 31/03/2018 | - | - | 37,57,500 | 1.92 |
| SANJEEV MANCHANDA | 25,000 | 0.01 | 31/03/2017 | - | - | 25,000 | 0.01 |
| | | | 31/03/2018 | - | - | 25,000 | 0.01 |
| VANDANA MANCHANDA | 3,70,900 | 0.19 | 31/03/2017 | - | - | 3,70,900 | 0.19 |
| | | | 31/03/2018 | - | - | 3,70,900 | 0.19 |
| ACCESS EQUITY PVT LTD | 22,800 | 0.01 | 31/03/2017 | - | - | 22,800 | 0.01 |
| | | | 31/03/2018 | - | - | 22,800 | 0.01 |

**Note:- The% shareholding of promoter & Promoter group has been changed consequent to allotment of shares under DEN ESOP Scheme, 2014 during the financial year 2017-18.*

***Attachment 5 to Annexure E***

***Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):***

| S. no. | Name of the Shareholder** | Shareholding | | | | | Cumulative shareholding during the year | |
|---|---|---|---|---|---|---|---|---|
| | | No of Shares held at the beginning (01/04/2017/ at the end of year 31/03/2018 | % of total shares of the company | Date | Increase/ Decrease in shareholding | Reason | No of Shares | % of total shares of the company * |
| 1 | BROAD STREET INVESTMENTS (SINGAPORE) PTE. LTD. | 418,28,930 | 21.56 | 01/04/2017 | Nil | No change | 418,28,930 | 21.56 |
| | | 418,28,930 | 21.37 | 31/03/2018 | - | | 418,28,930 | 21.37 |
| 2 | STANDARD CHARTERED IL AND FS ASIA INFRASTRUCTURE GROWTH FUND COMPANY PTE LIMITED | 58,40,009 | 3.01 | 01/04/2017 | Nil | No Change | 58,40,009 | 3.01 |
| | | 58,40,009 | 2.98 | 31/03/2018 | - | - | 58,40,009 | 2.98 |
| 3 | MSD INDIA FUND LIMITED | 25,85,797 | 1.33 | 01/04/2017 | - | - | 25,85,797 | 1.33 |
| | | | | 05/05/2017 | 64,722 | Purchase | 26,50,519 | 1.37 |
| | | | | 12/05/2017 | 100,000 | Purchase | 27,50,519 | 1.42 |
| | | | | 19/05/2017 | 215,000 | Purchase | 29,65,519 | 1.53 |
| | | | | 14/07/2017 | 66,000 | Purchase | 30,31,519 | 1.56 |
| | | | | 21/07/2017 | 25,000 | Purchase | 30,56,519 | 1.58 |
| | | | | 22/09/2017 | 585,000 | Purchase | 36,41,519 | 1.86 |
| | | | | 10/11/2017 | 20,000 | Purchase | 36,61,519 | 1.87 |
| | | | | 17/11/2017 | 28,805 | Purchase | 36,90,324 | 1.88 |
| | | | | 24/11/2017 | 21,195 | Purchase | 37,11,519 | 1.90 |
| | | | | 08/12/2017 | 76,591 | Purchase | 37,88,110 | 1.93 |
| | | | | 12/01/2018 | 407,487 | Purchase | 41,95,597 | 2.14 |
| | | | | 19/01/2018 | 565,242 | Purchase | 47,60,839 | 2.43 |
| | | 47,60,839 | 2.43 | 31/03/2018 | - | - | 47,60,839 | 2.43 |
| 4 | ACACIA PARTNERS, LP | 44,20,000 | 2.28 | 01/04/2017 | Nil | No Change | 44,20,000 | 2.28 |
| | | 44,20,000 | 2.26 | 31/03/2018 | - | - | 44,20,000 | 2.26 |
| 5 | ACACIA INSTITUTIONAL PARTNERS, LP | 36,40,000 | 1.88 | 01/04/2017 | Nil | No Change | 36,40,000 | 1.88 |
| | | 36,40,000 | 1.86 | 31/03/2018 | - | - | 36,40,000 | 1.86 |
| 6 | GOVERNMENT PENSION FUND GLOBAL | - | - | 01/04/2017 | - | - | - | - |
| | | | | | 163,000 | Purchase | 163,000 | 0.08 |
| | | | | | 15,397 | Purchase | 178,397 | 0.09 |
| | | | | | 181,603 | Purchase | 360,000 | 0.18 |
| | | | | | 50,000 | Purchase | 410,000 | 0.21 |
| | | | | | 47,000 | Purchase | 457,000 | 0.23 |
| | | | | | 13,000 | Purchase | 470,000 | 0.24 |
| | | | | | 30,000 | Purchase | 500,000 | 0.26 |
| | | | | | 23,88,209 | Purchase | 28,88,209 | 1.48 |
| | | | | | 51,791 | Purchase | 29,40,000 | 1.50 |
| | | 29,40,000 | 1.50 | 31/03/2018 | - | - | 29,40,000 | 1.50 |

| S. no. | Name of the Shareholder** | Shareholding | | | | | Cumulative shareholding during the year | |
|---|---|---|---|---|---|---|---|---|
| | | No of Shares held at the beginning (01/04/2017/at the end of year 31/03/2018 | % of total shares of the company | Date | Increase/ Decrease in shareholding | Reason | No of Shares | % of total shares of the company * |
| 7 | MBD BRIDGE STREET 2013 INVESTMENTS (SINGAPORE) PTE LIMITED | 28,82,671 | 1.49 | 01/04/2017 | Nil | No Change | 28,82,671 | 1.49 |
| | | 28,82,671 | 1.47 | 31/03/2018 | - | - | 28,82,671 | 1.47 |
| 8 | MBD BRIDGE STREET 2016 INVESTMENTS (SINGAPORE) PTE LIMITED | 28,23,822 | 1.46 | 01/04/2017 | Nil | No Change | 28,23,822 | 1.46 |
| | | 28,23,822 | 1.44 | 31/03/2018 | - | - | 28,23,822 | 1.44 |
| 9 | TARA INDIA HOLDINGS A LIMITED | 27,48,253 | 1.42 | 01/04/2017 | - | - | 2748253 | 1.42 |
| | | | | 16/02/2018 | 34700 | Sale | 27,13,553 | 1.39 |
| | | | | 23/02/2018 | 8675 | Sale | 27,04,878 | 1.38 |
| | | 27,04,878 | 1.38 | 31/03/2018 | - | - | 27,04,878 | 1.38 |
| 10 | ROUTE ONE OFFSHORE MASTER FUND L.P. | 32,16,031 | 1.66 | 01/04/2017 | - | - | 32,16,031 | 1.66 |
| | | | | 02/06/2017 | 18,650 | Sale | 31,97,381 | 1.65 |
| | | | | 09/06/2017 | 46,361 | Sale | 31,51,020 | 1.62 |
| | | | | 07/07/2017 | 34,194 | Sale | 31,16,826 | 1.61 |
| | | | | 14/07/2017 | 3,109 | Sale | 31,13,717 | 1.60 |
| | | | | 15/09/2017 | 518,700 | Sale | 25,95,017 | 1.33 |
| | | 25,95,017 | 1.33 | 31/03/2018 | - | - | 25,95,017 | 1.33 |

*Percentage rounded off up to two decimal place.*

***Note:- The% shareholding of Top Ten Shareholders has been changed consequent to allotment of shares under DEN ESOP Scheme, 2014 during the financial year 2017-18.***

***** The List of Top Ten Shareholders has been provided as on 31st March, 2018.***

***Attachment 6 to Annexure E***
***Shareholding of Directors and Key Managerial Personnel:***

| S. No. | Name and Designation of Directors and KMPs | Shareholding at the begining the year (01-04-2017) / date of appointment, in case of appointment during 2017-2018 | | Shareholding at the end of the year (31-03-2018) | |
|---|---|---|---|---|---|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | Sameer Manchanda, Chairman Managing Director | 466,54,550 | 24.0455 | 466,54,550 | 23.83 |
| 2 | Ajaya Chand- Non Executive Independent Director | 64,420 | 0.0332 | 64420 | 0.032 |
| 4 | Krishna Kumar- Non Executive Independent Director | 7,720 | 0.0040 | 7720 | 0.003 |
| 5 | S. N. Sharma - Chief Executive Officer | 49,485 | 0.0255 | 17,99,485 | 0.919 |
| 6 | Manish Dawar- Group Chief Financial Officer | 13,354 | 0.0069 | - | - |
| 7 | Rajesh Kaushall, Chief Financial Officer | 2,51,500 | 0.1296 | - | - |
| 8 | Himanshu Jindal, Chief Financial Officer | - | - | - | - |
| 9 | Jatin Mahajan, Company Secretary | - | - | - | - |

*# Percentage rounded off up- to four decimal places*

*Mr. Krishnakumar resigned on 02nd Aug, 2018.*
*Mr. Manish Dawar resigned on 30th Nov, 2017.*
*Mr. Rajesh Kaushall resigned on 03rd April, 2018.*
*Mr. Himanshu Jindal appointed on 04th April, 2018.*

***Attachment 7 to Annexure E***
***Indebtedness***
***Indebtedness of the Company including interest outstanding/accrued but not due for payment.***

***₹ in Million***

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 5,016.25 | | - | 5,016.25 |
| ii) Interest due but not paid | - | | - | - |
| iii) Interest accrued but not due | 24.19 | | - | 24.19 |
| Total (i+ii+iii) | 5,040.44 | | - | 5,040.44 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 4,852.80 | | - | 4,852.80 |
| * Reduction | 4,467.16 | | - | 4,467.16 |
| Net Change | 385.64 | | - | 385.64 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 5,401.89 | | - | 5,401.89 |
| ii) Interest due but not paid | - | | - | - |
| iii) Interest accrued but not due | 11.04 | | - | 11.04 |
| Total (i+ii+iii) | 5,412.93 | | - | 5,412.93 |

*Note: Above statement does not include outstanding on account of Book overdraft.*

***Attachment 8 to Annexure E***
***Remuneration to MD, WTD and/or Manager***

| S.No. | Particulars of Remuneration | CMD- Sameer Manchanda |
|---|---|---|
| 1 | Gross salary | (In Rs.) |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2,46,80,004 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 39,600 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | ..... |
| 2 | **Stock Options** | ..... |
| 3 | **Sweat Equity** | ..... |
| 4 | **Commission** | ..... |
| | - as % of profit | |
| | - others-specify | |
| 5 | **Others, please specify** | ..... |
| | **Total** | 2,47,19,604 |
| | **Ceiling as per the Act** | The aforesaid remuneration is within the limit provided under the provisions of the Companies Act, 2013 and its rules. |

***Attachment 9 to Annexure E***
***Remuneration of other Directors***

***(In Rs.)***

| S N. | Particulars of Remuneration | Name of Directors | | | Total Amount | |
|---|---|---|---|---|---|---|
| 1 | **Independent Directors** | **Ajaya Chand** | **Robindra Sharma** | **Atul Sharma** | **Archana Niranjan Hingorani**** | |
| | Fee for attending board committee meetings | 3,60,000 | 2,60,000 | 50,000 | 1,00,000 | 7,70,000 |
| | Commission | Nil | Nil | Nil | Nil | Nil |
| | Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | **Total (1)** | **3,60,000** | **2,60,000** | **50,000** | **1,00,000** | **7,70,000** |
| 2 | **Other Non-Executive Directors** | **Ankur A. Sahu** | **Krishna Kumar*** | | | |
| | Fee for attending board committee meetings | 50,000 | 1,20,000 | - | - | 1,70,000 |
| | Commission | Nil | Nil | - | - | Nil |
| | Others, please specify | Nil | Nil | - | - | Nil |
| | **Total (2)** | **50,000** | **1,20,000** | **-** | **-** | **1,70,000** |
| | **Total =(1+2)** | **-** | **-** | **-** | **-** | **9,40,000** |
| | **Total Managerial Remuneration** | **Nil** | **Nil** | **-** | **-** | **Nil** |
| | **Overall Ceiling as per the Act** | **NA** | **NA** | **-** | **-** | **NA** |

**** appointed on 01st August, 2017***
***** resigned on 01st August, 2017 and re-appointed on 09th November, 2017***

***Attachment 10 to Annexure E***
***Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD***

***(In Rs.)***

| SN | Particulars of Remuneration | Key Managerial Personnel | | | | |
|---|---|---|---|---|---|---|
| | | **CEO** | **Group CFO** | **CFO** | **CS** | **Total** |
| | **Gross salary** | **S. N. Sharma** | **Manish Dawar*** | **Rajesh Kaushall **** | **Jatin Mahajan** | |
| 1 | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 7,24,80,000 | 3,56,03,552 | 99,47,316 | 26,12,814 | 12,06,43,682 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | 26,400 | 16,97,065 | 32,400 | 17,55,865 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - | - |
| 2 | Stock Option | 11,76,75,000 | - | - | - | 11,76,75,000 |
| 3 | Sweat Equity | - | - | - | - | - |
| 4 | Commission | - | - | - | - | - |
| | - as % of profit | - | - | - | - | - |
| | Others specify | - | - | - | - | - |
| 5 | Others, please specify | - | - | - | - | - |
| | **Total** | **19,01,55,000** | **3,56,29,952** | **1,16,44,381** | **26,45,214** | **24,00,74,547** |

****Resigned on 30th Nov, 2017***
*****Resigned on 03rd April, 2018***

***Attachment 11 to Annexure E***
***Penalties / Punishment / Compounding of Offences***

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|---|---|---|---|---|---|
| **A. COMPANY** | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| **B. DIRECTORS** | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| **C. OTHER OFFICERS IN DEFAULT** | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

**For and on behalf of the Board of Directors**

**Date: 03.08.2018**
**Place: New Delhi**

**Sd/-**
**Sameer Manchanda**
**Chairman Managing Director**
**DIN : 00015459**

# MANAGEMENT DISCUSSION & ANALYSIS

**Global Economy & Indian Media and Entertainment Industry**

World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters. As per the International Monetary Fund, global growth is expected to tick up to 3.9 percent this year and next, supported by strong momentum, favorable market sentiment and accommodative financial conditions.

Reciprocating the global condition, Indian economy also witnessed robust performance during financial year 17-18. Retail inflation was lowest in almost four decades. Several reforms such as the Goods and Services Tax (GST), and the Insolvency and Bankruptcy Code were also implemented. The World Bank forecasts India to grow by 7.5% in 2019.

India's huge jump of 30 notches in World Bank's Ease of doing business rank indicates that the reform measures of the current Government are finally bearing fruits. India's rank stands at 100 for 2018 compared to 130 last year. This development should help attract more FDI inflows and impact GDP growth positively.

The World Bank has stated that private investments in India is expected to grow by 8.8 percent in FY 2018-19 thereby driving the growth in India's gross domestic product (GDP) in FY 2018-19. Further, India revised its fiscal deficit projection at 3.5 per cent for FY 18 and at 3.3 per cent of the GDP for FY 19.

The Indian M&E sector reached Rs 1.5 trillion (USD 22.7 billion) in 2017, a growth of almost 13 per cent over 2016. It is expected to cross Rs. 2 trillion (USD 31 billion) by 2020, at a CAGR of 11.6 per cent.

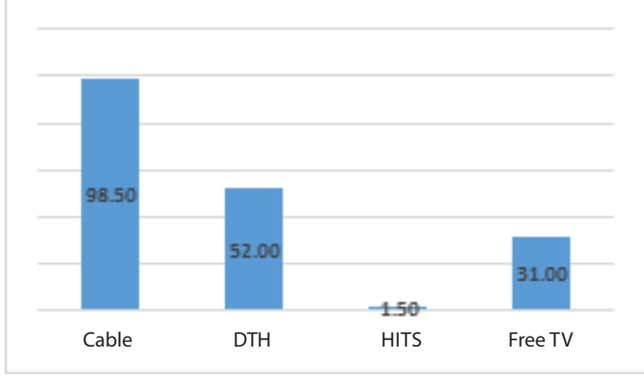
(Source: FICCI-EY Report 2018)

**The TV Industry**

**Television Subscriber Base**

Of the estimated 286 million households in India, TV penetration reached 64%, taking the total number of TV viewing households to 183 million in 2017, which is a 3.5% growth over 2016. As per BARC, 83% of the total TV households were paid subscribers.

**(Subscribers in Million)**




(Source: FICCI-EY Report 2018)

**Digitisation**

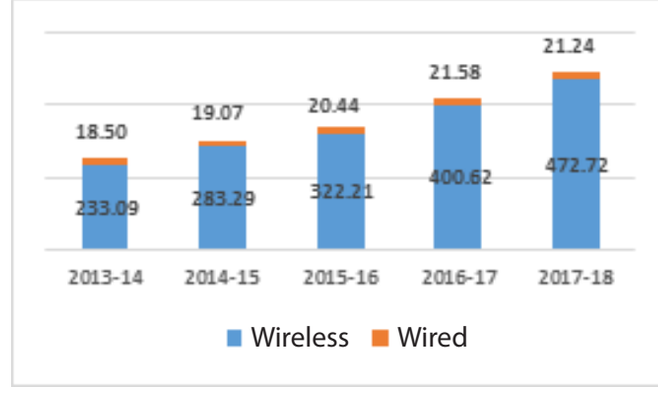
Digitisation led to increased collections from end customers, across all DAS markets. Increased collections from end customers have resulted in an increase in revenue received by MSOs and broadcasters.

With digitisation, transparency has increased and it has also brought in increased clarity on number of active consumers with each LCO. MSO collections from digitised LCOs in DAS I DAS II markets now ranges from Rs 80 to Rs 140 per subscriber per month.

**Fixed Line Broadband Services**

India has internet user base of 493.96 million as on March 2018 (as per TRAI performance indicator report, Jan-Mar 2018), out of which 21.24 million subscribers are Wired Internet Subscribers, which is 4.3% of total users.

**(Internet Users in Million)**




The pan India reach of MSOs represents an opportunity for the industry to tap into the rapidly growing needs of customers in terms of high speed connectivity and huge data consumption

**Regulatory Environment**

**TV Tariff order**

TRAI had released the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017, which has come into force on July 3, 2018.

TRAI has mandated a new pricing mechanism for TV content whereby an MRP for each channel needs to be determined as well as "fixed fees" for MSOs for providing distribution platform is defined. The consumer would be required to pay slabwise for bundle of channels chosen. This is a significant change compared to the previous regime where broadcasters and distributors were allowed to price their channels differently for different customers. Along with the "must provide" rule which restricts the broadcaster from selling content to distributors, the order aims to enable a level playing field for cable & DTH companies. The order, once implemented, is expected to bring both topline & bottomline growth to the company.

**Company Overview**

DEN Networks is India's leading media & entertainment Company engaged in providing Cable TV, Broadband & OTT (Over-the-Top) Content. The company has one of the largest subscriber base amongst Cable TV players in India as it reaches households in 500+ cities across 13 key states.

DEN Broadband provides high speed broadband internet services of up to 100 Mbps speed using DOCSIS 3.0 and GPON technology, majorly in DELHI & NCR and across Uttar Pradesh, Haryana, Rajasthan and Kerala.

DEN's OTT App, DEN TV+ is an online video-streaming mobile app which provides 130 Live TV channels, 2500+ movies and recorded video content, including popular TV shows, devotional content, lifestyle content etc.

**Highlights of the year:**

**a) Credit Rating Upgrade**

DEN Network has received an upward revision in credit rating from credit agency firm ICRA in the financial year 2017-18 for its long-term and short term line of credit or debt instruments.

As per the ICRA report dated 15th Dec 2017, the upgrade in rating favorably factor in the improvement in DEN's operation and financial performance over the past six quarters backed by healthy collection efficiency and monetization (in terms of average revenue per user i.e. ARPU upswing) of phase-III and IV digital subscriber base that has supported improvement in profitability and exit from loss incurring non-core businesses. It further states that as significant part of the investment is over, the debt levels of the company have also reduced as monetization has started.

| Instrument | Existing Credit Rating as of 14th Dec'17 | Revised Credit Rating w.e.f. 15th Dec '17 |
|---|---|---|
| Fund Based – Term Loans | ICRA A- (Stable) | ICRA A (Stable) upgraded |
| Fund Based – Working Capital Facilities | ICRA A- (Stable) | ICRA A (Stable) upgraded |
| Non Fund Based – Working Capital Facilities | ICRA A2+ | ICRA A1 upgraded |
| Unallocated Limits | ICRA A- (Stable) / ICRA A2+ | ICRA A (Stable) / A1 upgraded |

**b) Awards & Accolades**

DEN Networks has topped the list of **"Most Attractive Brands 2017"** in the cable segment. 'Most Attractive Brands' is an annual study conducted by Trust Research Advisory (TRA) Research based on a primary research conducted across 16 Indian cities.

DEN Networks Limited has been awarded as the **"Most Outstanding MSO 2017-18"** and **"Outstanding MSO providing Technology & Services"** in **BCS Ratna Awards 2018** by Aavishkar Media Group.

**Strategic Initiatives:**

**a) Outstanding MSO providing Technology & Services**

DEN has always been committed to innovate and provide futuristic products and services to its subscribers. After setting foot into OTT segment last year, DEN continues to provide all New-to-the-market, technology advanced services.

DEN has recently launched its premium, 4K Android Internet TV box, which will provide unified TV entertainment across Cable and Internet. DEN is the first MSO to launch features like voice search for browsing through channels and other content. The Internet TV box also provides hi-graphics games which use smartphones as gamepad, apart from other Wi-Fi enabled joysticks. It also enables the user to use smart phones as remote controls and enables content sharing between mobile phone and TV. Using Wi-Fi and Bluetooth, this will integrate with IoT devices and act as a home gateway across all devices to create smart homes.



With this offering, DEN becomes the first MSO to provide 4K services.

**b) Expansion of "Hi-Speed Fixed Line Broadband" Internet services to 100 Cities in the FY 2019: Leverages its existing cable infrastructure across India.**



DEN Broadband, with the vision of enabling wired broadband access to its 1.1 Crore digital cable Homes by 2021 by leveraging

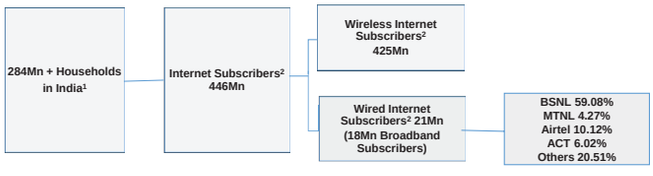
existing Cable TV infrastructure, announced the expansion of its hi-speed internet services to 100 cities across India by 2019.

After receiving an encouraging response to the pilot project in five cities, DEN has already started its first phase of expansion in 15 cities.

DEN's expansion plan is in sync with the massive growth in the internet consumption in the country. Data usage in India has already jumped 144 per cent (y-o-y) with average consumption per user in 4G Broadband reaching 11GB per month. While India globally ranks 67th in fixed broadband speeds with an average download speed of 20.72 Mbps, mobile broadband speeds still lags at 109th rank with an average download speed of 9.01 Mbps, as per Ookla's speedtest Global Index, Feb 2018 report.

DEN intends to tap into this high-potential market by capitalising on its existing Cable TV infrastructure and providing hi-speed fixed broadband internet. With speeds up to 1Gbps at affordable prices, DEN Broadband will cater to the future needs of existing Internet users while penetrating further into the untapped markets. Currently, about 6% of Indian households have a fixed broadband connection in a market of 286 million households.

**Fixed Line Broadband Penetration in India:**




Source: Media Partner Asia / TRAI Quarterly Performance Indicatory Dec 2017.

DEN has an edge over others as its fiber cable infrastructure is already present across 13 major Indian states with a reach of over 11 million subscribers' homes. DEN plans to roll out through a franchisee model, which will leverage its strength as a leading national MSO with an established on-ground Cable LMO network to usher in a broadband revolution in the entire country. Its 14,000+ LMO network would use its technology while adhering to the operational standards set by DEN. Being the franchisor, DEN will bill the subscribers and collect tariffs from them directly. The franchisee would get paid based on the terms of their agreement and size of their investment.

**c) Join hands with BARC India for RPD: Move to boost TV viewership measurement**

TV viewership measurement in India is set to get a boost. In a major development, DEN has partnered with BARC India for measuring TV viewership using Return Path Data (RPD) via its digital set top boxes (STBs).

As part of this partnership, BARC India will fetch data from STBs of DEN Networks. DEN networks will use this data for subscriber management, packaging opportunities and to drive advertising revenue on their in-house channels.

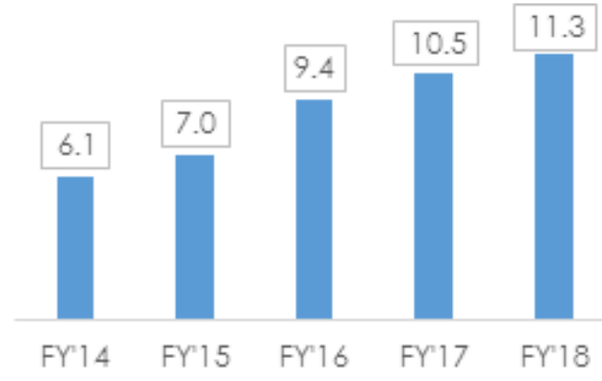
Data gathering and analytics is becoming increasingly relevant in a vast and heterogeneous society like India. With this partnership, DEN has taken the first steps towards world class data analytics of subscriber viewing patterns which will help us to serve customers in a far more effective way and enable us to offer personalized services.

**Cable Business**

DEN Networks has been a frontrunner in the digitization of Indian cable television and has over 11.3 million digital subscribers.

DEN's geographic footprint spans 13 key states across India including Delhi, Uttar Pradesh, Karnataka, Maharashtra, Gujarat, Rajasthan, Haryana, Kerala, West Bengal, Jharkhand, Madhya Pradesh, Uttarakhand and Bihar. The company has a significant presence in the strategic & economically important Hindi Speaking Markets (HSM) belt. In Phase-1 and 2, we had flagged off the packaging exercise. We have just completed a two-pack pricing structure that is now fully established in most of our Phase-1 and Phase-2 markets. DAS Phase 3 has also begun in a phased manner.

**Total Digital Subscribers (Million)**




DEN seeded additional 0.8 million STBs in FY'17-18. This takes the digital subscribers base of the company to 11.3 million at the end of FY'17-18.

**Cable – Financial Highlights:**

Cable business revenues increased in FY'18 to INR 1,210 Crore from INR 1,076 Crore in last year. Subscription income contributed 55% of total revenues (including activation) in FY'18 compared to 51% in FY'17.

The detailed breakup of revenues is as below:

| Details | FY'17 | FY'18 | % Change |
|---|---|---|---|
| Subscription | 544 | 667 | 22% |
| Placement | 351 | 345 | -2% |
| Others* | 181 | 198 | 7% |

EBITDA for the cable business increased to INR 284 crores in FY18 compared to INR 194 crores in FY17.

* Others include TV commerce business which was divested.

**Broadband Business**

DEN broadband services achieved 913K homes passed as on 31 March 2018. Over the course of the year, the operating cost has reduced substantially as we have taken a number of re-engineering and procurement related initiatives to optimize cost.

The company currently has subscriber base of 1,06,559 broadband subscribers at the end of FY'17-18 and more than half of them come from non-DEN cable homes. On the usage front we have seen a substantial jump in data consumption as well as speed adoption. We will continue to work towards the profitability of the broadband business through a combination of initiatives on the revenue side as well as optimizing the operating costs.

**Broadband – Financial Highlights**

Broadband business revenues has marginally decreased in FY'18, to INR 75 Crore from INR 82 Crore in last year majorly due to reduction in ARPU.

As a result of the initiatives implemented as detailed above, the company was able to breakeven in terms of operational profit during the FY 2017-18.

EBITDA losses have narrowed down from INR 9 crores in FY 2016-17 to INR 1 crores in FY 2017-18.

**SCOT Analysis**

**Strengths**

- One of the largest Cable MSOs in India
  - Serving more than 6.16% of TV homes in India
  - Dominant Player in Key Phase 1 and 2 Markets
  - Deployed 11.3 mn boxes as on 31 March 2018.
- Integrated service and product portfolio covering cable and data (broadband)
- Skilled workforce, the best in the industry and experienced management team

**Challenges**

- Poor Infrastructure in Phase 3 and 4 Markets pushing costs of operations
  - Continuously innovating and investing in greater reach
- Increasing capex network costs
  - Continuously upgrading network infrastructure
- Large number of subsidiaries to manage
  - Corporate simplification exercise is under progress

**Opportunities**

- The company is focused on enhancing the monetization of DAS 3 & 4 boxes significantly.
- Increasing ARPU by packaging & higher monetization of boxes in DAS 1/ 2 markets.
- Increasing Cable TV Penetration and deploying HD boxes across Territories to enhance customer experience and ARPU
- Launch of online / live streaming services (DEN TV+)
- TRAI Tariff order – this will be a real game changer for the cable industry.
- Untapped fixed broadband market in India
  - Low Fixed Broadband Penetration in India (~6% of total homes)
  - Rapid expansion planned in Tier II cities during 2018-19

**Threats**

- Increasing Competition
  - New players' entry in Cable services
    - Positive for the sector as new players foresee the inherent potential in the sector. The overall penetration should improve increasing the overall market size.
    - In order to gain last mile connectivity by the new entrants, significant investments will be needed in terms of both time and money
- DTH Players to offer stiff competition in Phase 3 and 4 Markets
- Competition from Telecom/other Companies for Broadband Services
- Increase in content costs by Broadcasters
  - TRAI tariff order will have a positive impact

**Consolidated Financial Highlights**

Consolidated revenues increased by INR 128 Crore in the year to reach INR 1,285 Crore for the year ended 31 March 2018. The Increase in revenues was primarily on account of growth in subscription revenue by 22% in comparison of FY'16-17 and increase in activation revenue by 38% in comparison of previous year.

Consolidated EBITDA grew by 55% to INR 283 Crore in FY'17-18 in comparison of INR 183 Crore in FY'16-17.

Depreciation and Amortization costs reduced to INR 249 Crore from INR 276 Crore in the last year.

**Liquidity and Funding**

As on 31 March 2018, the Group had cash and cash equivalents of INR 384 Crore. During the year ended 31 March 2018, the Group generated operating cash flow of INR 167 Crore.

**HUMAN RESOURCE MANAGEMENT**

This year, the Human Resource function witnessed immense change in its role, diversifying into something more than a function working towards employee motivation and efficiency, organizational culture and recruitment. While these roles still held major priority, what held precedence over all else was addressing issues concerning employees and dealing with them through strategic planning without added monetary burden to the organization, striving to focus on cost-optimization with an objective to reduce the attrition rate.

The team took up three major initiatives to gauge areas of concerns of employees, viz., Comfort Check, DNA (Define, Nurture, Apply) and

Exit Interviews.

While Comfort Check is used to study where new employees of the organization are facing issues, areas of improvement etc. through a survey, the Exit interview brings forward various issues causing attrition in the organization. Post-implementation of this simple practice, we came across multiple issues which weren't just mundane issues. The DNA analysis is, on the other hand, a study done through one-on-one meetings with individual employees who are currently a part of the systems to hear their concerns, which have been grouped into various categories, based on which frequency of each category is analyzed.

Each of these studies is reviewed and a strategic resolution plan is devised for each time-frame and the concern is addressed in the best possible approach.

Besides addressing concerns, development of skills of employees was focused on. Internal talent grooming, in not just technical and field related knowledge, but also training skills were taken care of, through DEN Academy. The objective of this initiative is to prepare employees for future leadership roles through an internal knowledge-sharing platform. Where skill updation is concerned, an MoU was signed with "Schoolguru", an online platform that provides higher education and certified courses' options at high discounts from government recognized universities.

To bring forward the employees with a flair for writing, "Transcend", DEN's in-house magazine was released. This doesn't only include written pieces from employees, it also comprises of relevant articles that everyone can relate to and apply in their day-to day routines.

A major initiative and a huge success amongst the employees was the "Rewards and Recognition" ceremony, organized to highlight stellar performances of the year. Achievers from across the country were felicitated by the honorable CMD and CEO followed by a lunch with the Senior Management team.

Also providing a comprehensive remuneration policy, in consonance with existing industry standards along with recognition and rewards programs, HR strived to provide ample opportunities for each employee's career growth and job enrichment.

As always, each employee's wellness was dealt with prime importance, to ensure which, multiple health camps, incurring no cost to the company or the employees were organized as part of routine engagement activities. We ensured that a different aspect of health was taken up every month, in partnership with reputed medical institutions for an enhanced overall wellbeing of all employees.

Constantly striving to better the efficiency and prominence of the HR function, based on past trends and needs of the organization and the industry, this was the journey of DEN HR this year.




## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

A clearly structured and fully implemented corporate governance system is the Company's highest priority. Good corporate governance is the basis for decision-making and control processes and comprises responsible, value-based management and monitoring focused on long-term success, goal-orientation and respect for the interests of our stakeholders. The company adopts stricter norms/condition which provides requisite disclosures and protection of investor's rights, including equitable treatment of minority and foreign shareholders.

At Den Networks Limited (DEN), the Corporate Governance is a system which reflects our corporate culture, policies, practices and relationship with our stakeholders. Integrity and transparency are key to our corporate governance practice to retain and enhance the trust of our shareholders, creditors, banks and all other counterparts at all time and to increase the brand image of the Company.

In accordance with Regulations 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, herein after referred to as SEBI (LODR), the report containing the details of Corporate Governance Report processes followed at Den Networks Limited, which are mentioned hereunder :-

## II. BOARD COMPOSITION

### Size and Composition of the Board

The Company's Board has an optimum mix of executive, non-executive and independent directors constituted in conformity with the provisions of the Companies Act, 2013, as amended, FDI guidelines, Listing Agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), terms of the Shareholders' agreement and other statutory provisions. The size and composition of the Board of Directors confirms the requirement of the Listing Regulations. Presently the Board comprises of Six (06) members, all of whom are Non-Executive Directors except Mr. Sameer Manchanda, Chairman and Managing Director of the Company. The one-half of the total numbers of Directors are Independent. None of the Directors are *inter-se* related to each other. The details of the Directors on the Board of the Company during the financial year ended March 31, 2018 are set out in the table below:-

| Name of Director | Category of Directorship | No. of outside Directorships Held | No. of Chairmanships / Memberships of other Board Committees | |
|---|---|---|---|---|
| | | | Chairmanship | Membership |
| Mr. Sameer Manchanda | Promoter, Executive Director (Chairman & Managing Director) | Nil | Nil | Nil |
| (Ms.) Dr. Archana Niranjan Hingorani[1] (Woman Director) | Non-Executive, Independent Director | 4 | 2 | 4 |
| Mr. Krishnakumar Gangadharan [2] | Non-Executive, Nominee Director of IL & FS | 8 | 1 | 4 |
| Mr. Ajaya Chand | Non-Executive, Independent Director | Nil | Nil | Nil |
| Mr. Robindra Sharma | Non-Executive, Independent Director | Nil | Nil | Nil |
| Mr. Atul Sharma | Non-Executive, Independent Director | Nil | Nil | Nil |
| Mr. Ankur Ambika Sahu | Non-Executive, Nominee Director of Goldman Sachs | Nil | Nil | Nil |

1. (Ms.) Dr. Archana Niranjan Hingorani was appointed as an Additional Director of the Company w.e.f. 09/11/2017
2. Mr. Krishnakumar Gangadharan was appointed as a Nominee Director of the Company w.e.f. 01/08/2017 and resigned from Directorship w.e.f., August 02, 2018.

a) For the purpose of considering the total number of directorships, all Public Limited Companies, whether listed or not, have been considered. Private Limited Companies whether subsidiary of a Public Limited Company or not, Directorship in DEN Networks Limited, Alternate Directorships, Foreign Companies and Companies under section 8 of The Companies Act, 2013, have not been included.

b) For the purpose of considering the total number of Memberships/ Chairmanships of Committee(s) only Audit Committees and Stakeholders' Relationship Committees of all Public Limited Companies have been considered.

c) None of the Directors is a Chairman / member in more than 5 / 10 committees across all Companies in which they are Directors.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**Chairman of the Board**

Mr. Sameer Manchanda is an Executive Director and occupying the position of Chairman & Managing Director of the Board.

***Appointment(s)/ Cessation(s)/ resignation(s)/ Re-appointment(s)***

**Appointment of Director**

(**Ms.) Dr. Archana Niranjan Hingorani,** Non-Executive-Nominee Director (Woman Director). She was nominated by IL&FS Investment Managers Limited. She resigned from the directorship of the company with effect from 1st August 2017 and in Board meeting dated November 09, 2017 was appointed as an Additional Director (Designated as Non-Executive – Independent Director). The Board recommends to shareholders for regularisation of her term as Non-Executive – Independent Director of the Company up-to November 08, 2020.

**Mr. Ankur Ambika Sahu– Nominee Director**

As per provisions of the Companies Act, 2013 and its rules made thereunder Mr. Ankur Ambika Sahu, retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

**Resignation of Director**

**Mr. Krishnakumar Gangadharan – Non- Executive Nominee Director**

Mr. Krishnakumar Gangadharan, Non- Executive Nominee Director, has been resigned from the Directorship of the Company w.e.f., August 02, 2018.

**KEY MANAGERIAL PERSONNEL**

**Appointment of Chief Financial Officer**

The Board of Directors in its meeting held on April 04, 2018 had approved appointment of **Mr. Himanshu Jindal** as Chief Financial Officer of the Company. Mr. Himanshu Jindal is a Chartered Accountant with more than 15 years of experience spanning across varied sectors viz., consulting, pharmaceuticals, commodity trading and cement manufacturing industries. He has worked with Heidelbergcement India Ltd., Cargill, Cipla Ltd. and Pfizer Limited.

**Resignation of Group Chief Financial Officer and Chief Financial Officer**

Mr. Manish Dawar resigned as Group Chief Financial Officer and Key Managerial Personnel on November 30, 2017.

Mr. Rajesh Kaushall resigned as Chief Financial Officer on April 03, 2018.

**Board Meetings and Procedures**

The Board of Directors constantly strives to achieve the overall goals of the Company. The Board consists of professionals and learned executives having in depth knowledge of their respective fields to oversee the overall functioning of the Company and to take strategic decisions in the best interest of the stakeholders.

Pursuant to provisions of the Companies Act, 2013 and its rules and Listing Regulations, 2015, at least four meetings of the Board are held every year, with a maximum time gap of one hundred and twenty days between any two meetings. Besides this, the members of the Board meet to consider various matters as and when required. The Board also considers urgent matters, if required, by passing of resolutions by circulation.

The Company Secretary is responsible to provide the detailed information to all the Board members regarding matters to be considered at the Board meeting along with the Agenda thereof in advance of the Board Meetings. The members of the Board have complete freedom to express their views on the matters discussed and thereafter the final decision is taken on the basis of consensus on each agenda item. Minutes of the proceedings of every Board meeting are recorded into the minute book within statutory prescribed time limit.

Pursuant to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration/ Compensation Committee.

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

**Attendance at Board Meetings and Annual General Meeting**

During the financial year 2017-2018, 04 (Four) meetings were held and the gap between two Board Meetings was not more than 120 days. The details of Board Meeting held during the year are given below:-

| S. No. | Date of Meeting |
|---|---|
| 1. | 22nd May 2017 |
| 2. | 01st August 2017 |
| 3. | 09th November 2017 |
| 4. | 16th January 2018 |

The Tenth Annual General Meeting of the Company was held on September 27, 2017.

The details of attendance of Directors at the meetings of the Board and at the last Annual General Meeting are as under:

| Name of Director | No. of Board meetings attended | Attended last Annual General Meeting |
|---|---|---|
| Mr. Sameer Manchanda | 04 | Yes |
| Mr. Krishnakumar Gangadharan | 02 | No |
| Mr. Ajaya Chand | 04 | Yes |
| Mr. Robindra Sharma | 04 | No |
| Mr. Atul Sharma | 01 | No |
| Mr. Ankur Ambika Sahu | 01 | No |
| (Ms.) Dr. Archana Niranjan Hingorani | 02 | No |

**Shareholding of Directors**

Shareholding of the Directors of the Company as on March 31, 2018 is as under:-

| Sl. No. | Name of Director | No. of shares held (face value Rs. 10/- each) |
|---|---|---|
| 1 | Mr. Sameer Manchanda | 46,654550 |
| 2 | Mr. Ajaya Chand | 64,420 |
| 3 | Mr. Krishnakumar Gangadharan | 7,720 |
| 4 | Mr. Robindra Sharma | Nil |
| 5 | Mr. Atul Sharma | Nil |
| 6 | Mr. Ankur Ambika Sahu | Nil |
| 7 | (Ms.) Dr. Archana Niranjan Hingorani | Nil |

**Induction and Training of the Board Members**

On appointment, the concerned director is informed about his/her term of appointment, duties, responsibilities and expected time commitments. The newly appointed Independent Director is taken through a formal induction program including the presentation on the company's general business profile, industry in which it operate, legal, operational, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory duties and responsibilities as a Director. The induction for Independent Directors includes interactive sessions with the entire board members, senior management personnel and other functional heads etc.

## III. COMMITTEE(S) OF BOARD

To facilitate the operations and to comply with statutory requirements, the Board of the Company has constituted different Committees having their focused attention on different / various working aspects of the Company. Presently the Board has six standing committees and has the power to constitute other such committees, as required from time to time.

The details of the various Committees of the Board are as under:

### 1. AUDIT COMMITTEE

**(a) Composition**

The Audit Committee of the Company is constituted in accordance with the provision of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises of three Directors out of which two are Independent Directors. The Chairman of the Audit Committee is an Independent Director. All the members of the Audit Committee are financially literate and the Chairman of the Audit Committee is a financial expert. During the year 2017-2018, the committee was re-constituted due to resignation of (Ms.) Dr. Archana Niranjan Hingorani on August 01, 2017. The composition of the Audit Committee is as follows:

| Name of Member | Category of Directorship | Position |
|---|---|---|
| Mr. Ajaya Chand | Non-Executive Independent Director | Chairman |
| Mr. Robindra Sharma | Non-Executive Independent Director | Member |
| Mr. Krishnakumar Gangadharan | Non-Executive Nominee Director | Member |

The Company Secretary of the Company acts as Secretary of the Committee.

**(b) Number of meetings & attendance**

During the financing year 2017-2018, 05 (Five) Audit Committee meetings were held and the gap between two meetings was not more than 120 days. Details of the meeting during the financial year 2017-2018 is as under:-

| S. No. | Date of Meeting |
|---|---|
| 1. | 22nd May 2017 |
| 2. | 01st August 2017 |
| 3. | 08th September 2017 |
| 4. | 09th November 2017 |
| 5. | 16th January 2018 |

The Chairman of the Audit Committee attended the Annual General Meeting held on Sep. 27, 2017. The details of attendance of Audit Committee is mentioned below:-

| Name | Designation | No. of meetings attended |
|---|---|---|
| Mr. Ajaya Chand | Chairman of the Committee | 05 |
| Mr. Krishnakumar Gangadharan | Member of the Committee | 02 |
| Mr. Robindra Sharma | Member of the Committee | 05 |
| (Ms.) Dr. Archana Niranjan Hingorani | Ex-Member of the Committee | Nil |

**(c) Attendees**

The Audit Committee invites the Board Members and Senior Management team as it consider to be presented at its meetings, the Statutory & Internal Auditors are also invited to the Audit Committee meetings.

**(d) Brief description of terms of reference**

**The terms of reference of the Audit Committee as defined by the Board are as under:**

(1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

i. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

ii. Changes, if any, in accounting policies and practices and reasons for the same;

iii. Major accounting entries involving estimates based on the exercise of judgment by management;

iv. Significant adjustments made in the financial statements arising out of audit findings;

v. Compliance with listing and other legal requirements relating to financial statements;

vi. Disclosure of any related party transactions;

vii. Modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) Approval or any subsequent modification of transactions of the listed entity with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**In accordance with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, audit committee mandatorily review the following information:**

(1) Management discussion and analysis of financial condition and results of operations;

(2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) Internal audit reports relating to internal control weaknesses; and

(5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(6) **Statement of deviations:**

a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

## 2. NOMINATION AND REMUNERATION/ COMPENSATION COMMITTEE

### (a) Composition

The Nomination and Remuneration (Compensation Committee) comprises of four (04) members. All the members of the Committee are Non-Executive Directors except Mr. Sameer Manchanda. The Chairman of the Committee is an Independent Director. The composition of the committee is as follows:

| S. No. | Name of Member | Category of Directorship | Position |
|---|---|---|---|
| 1 | Mr. Ajaya Chand | Non-Executive, Independent Director | Chairman |
| 2 | Mr. Robindra Sharma | Non-Executive, Independent Director | Member |
| 3 | Mr. Ankur Ambika Sahu | Non-Executive, Nominee Director | Member |
| 4 | Mr. Sameer Manchanda | Executive Director | Member |

### (b) Number of meetings & attendance

The committee met twice during the period under review. Details of the meeting during the financial year 2017-2018 is as under:-

| S. No. | Date of Meeting |
|---|---|
| 1. | 7th August 2017 |
| 2. | 01st January 2018 |

The detail of attendance of members at the Committee Meeting is as under:

| S. No. | Name of Member | No. of meetings attended |
|---|---|---|
| 1 | Mr. Ajaya Chand | 02 |
| 2 | Mr. Sameer Manchanda | 02 |
| 3 | Mr. Robindra Sharma | Nil |
| 4 | Mr. Ankur Ambika Sahu | Nil |

### (c) Terms of reference, powers & role of the Committee

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) Devising a policy on diversity of board of directors;

(4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### (d) Policy for selection and Appointment of Directors and their Remuneration

The Nomination and Remuneration Committee (N&R) has adopted a Policy which, *inter alia*, deals with the manner of selection of Board of Directors and their remuneration.

**Appointment criteria and qualification**

The Committee identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment. For the appointment of KMP (other than Managing / Whole time Director) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director is authorised to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance. The Committee also administer Employee Stock Option Scheme of the Company.

**Term**

The Term of the Directors including Managing / Whole time Director / Independent Director governed as per the provisions of the Companies Act, 2013 ("Act") and Rules made thereunder and the SEBI (LODR) Regulations 2015, as amended from time to time. Whereas the term of the KMP (other than the Managing / Whole time Director) and Senior Management governed by the prevailing HR policies of the Company including contract/ agreements with employees, if any.

**Evaluation**

The Committee carry out evaluation of performance of every Director. The Committee identify evaluation criteria which include evaluation of Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board are subject to the outcome of the yearly evaluation process. Framework for performance evaluation of Independent Directors.

**Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR

policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

**Remuneration of Managing / Whole-time Director, KMP and Senior Management**

The remuneration / compensation / commission, etc., to the Managing / Whole time Director is determined by the Committee and same is recommended to the Board for approval. After approval of the Board, the remuneration / compensation / commission, etc. is proposed to the Shareholders in accordance with the provisions of the Companies Act, 2013, and approval of the Central Government, wherever required. Further, the Managing Director / CEO of the Company are authorized to decide the remuneration of other KMP and Senior Management which is being decided on the standard market practice and prevailing HR policies of the Company. The remuneration of the CEO / KMPs (including stock option) determined by the Committee.

**Remuneration to Non-executive / Independent Director**

During the financial year 2017-2018, the Company hadn't paid remuneration to Non-executive / Independent Director except sitting fee. The remuneration / commission / sitting fees, as the case may be, to the Board of Directors, is paid in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders. An Independent Director is not entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the applicable regulations of SEBI (LODR) Regulations, 2015.

**Compensation to the members of Board**

During the financial year 2017-18, the company has not paid remuneration to any Director except Mr. Sameer Manchanda, Chairman Managing Director of the Company. The details of remuneration is mentioned below. The Non-Executive & Independent members of the Board are paid sitting fees for attending the meetings of the Board within the ceiling as provided under the Companies Act, 2013. Besides this Non-Executive Directors do not have any other pecuniary relationship or transaction with the Company. The Company has no policy of advancing any loans to Directors.

**Amount in millions**

| Name of the Executive Director | Designation | Salary, Perks excluding Reimbursement | Provident Fund | Commission | Stock Option | Total* |
|---|---|---|---|---|---|---|
| Mr. Sameer Manchanda | CMD | 24.68 | 1.22 | Nil | Nil | 25.90 |

**Rounded off up-to two decimal place.*

**Sitting Fees to the Non-Executive Directors**

The Company pays sitting fees to all the Non-Executive Directors of the Company. The sitting fees paid is within the limits prescribed under the Companies Act, 2013.

| Name of Director | Sitting Fees of Board Members | Sitting Fees of Committee Meetings | Total Fees |
|---|---|---|---|
| Mr. Krishnakumar Gangadharan | 1,00,000 | 20,000 | 1,20,000 |
| Mr. Ankur A. Sahu | 50,000 | - | 50,000 |
| Mr. Ajaya Chand | 2,00,000 | 1,60,000 | 3,60,000 |
| Mr. Robindra Sharma | 2,00,000 | 60,000 | 2,60,000 |
| Mr. Atul Sharma | 50,000 | - | 50,000 |
| (Ms.) Dr. Archana Niranjan Hingorani | 1,00,000 | - | 1,00,000 |
| **Total** | **7,00,000** | **2,40,000** | **9,40,000** |

**3. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

**(a) Composition**

The Stakeholders' Relationship Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of declared dividends etc. and take necessary steps for redressal thereof. The Committee is a Board level committee under the Chairmanship of Mr. Ajaya Chand, Non- Executive Independent Director. During the year, no committee meeting was held. The present composition of Stakeholders' Relationship Committee is as under:-

| S.No. | Name | Category of Directorship | Position |
|---|---|---|---|
| 1 | Mr. Ajaya Chand | Non-Executive Independent Director | Chairman |
| 2 | Mr. Robindra Sharma | Non-Executive Independent Director | Member |
| 3 | Mr. Sameer Manchanda | Executive Director | Member |

Company Secretary & Compliance office of the Company is acting as Compliance Officer for the Stakeholders' Relationship Committee.

**(b) Terms of reference, powers & role of the Committee**

The Committee consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, if any.

**(c) Investors' correspondence / complaints & their redressal**

The Company received 01 correspondence(s) / complaints from the Shareholders during the period from April 1, 2017 to March 31, 2018 which were general in nature. The Company have a practice to redressed / attended to the satisfaction of the shareholders effectively within the statutory time limit and no complaint was pending at the end of financial year March 31, 2018.

**4. INDEPENDENT DIRECTORS COMMITTEE**

**(a) Composition**

The Independent Directors Committee comprises of four (04) members. All the members of the Committee are Non-

Executive Directors. The composition of the committee is as follows:

| S. No. | Name of Member | Category of Directorship | Position |
|---|---|---|---|
| 1 | Mr. Ajaya Chand | Non-Executive, Independent Director | Chairman |
| 2 | Mr. Robindra Sharma | Non-Executive, Independent Director | Member |
| 3 | Mr. Atul Sharma | Non-Executive, Independent Director | Member |
| 4 | (Ms.) Dr. Archana Niranjan Hingorani | Non-Executive, Independent Director | Member |

**(b) Number of meetings & attendance**

The committee met once during the period under review. Details of the meeting during the financial year 2017-2018 is as under:-

| S. No. | Date of Meeting |
|---|---|
| 1. | 31st March 2018 |

The detail of attendance of members at the Committee Meeting is as under:

| S. No. | Name of Member | No. of meetings attended |
|---|---|---|
| 1 | Mr. Ajaya Chand | 01 |
| 2 | Mr. Robindra Sharma | 01 |
| 3 | Mr. Atul Sharma | 01 |
| 4 | (Ms.) Dr. Archana Niranjan Hingorani | Nil |

**(c) Terms of reference, role and meeting**

During the year under review, Independent Directors Committee, *inter alia*, discussed following agendas:-

1. Review of the transactions by the Independent Directors
2. Familiarization program of Independent Directors *viz.*, nature of the industry, business model and roles, rights, responsibilities of independent directors etc.
3. Discussion on timeliness of Flow of Information for Independent Directors
4. Review of performance of Non-Independent Directors and the Board as a whole.
5. Review the performance of the Chairman of the Company.

**Performance evaluation criteria for Independent Directors**

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the cohesiveness that exists amongst the Board Members, the two-way candid communication between the Board and the Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities. The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors.

**Familiarisation programmes of Independent Directors**

Familiarisation programme of Independent Directors enable them to understand the Company's business in depth that would facilitate their active participation in managing the Company. The Board update the directors on continues basis at Board meeting through presentation, quarterly results and press release.

**5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

**(a) Composition**

The Corporate Social Responsibility Committee was constituted in compliance with Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee comprises of three members. All the members of the Committee are Non-Executive Directors except Mr. Sameer Manchanda. The Chairman of the Committee is an Independent Director.

| S. No. | Name of Member | Category of Directorship | Position |
|---|---|---|---|
| 1 | Mr. Ajaya Chand | Non-Executive, Independent Director | Chairman |
| 2 | Mr. Robindra Sharma | Non-Executive, Independent Director | Member |
| 3 | Mr. Sameer Manchanda | Executive Director | Member |

During the year under review, no meeting of Corporate Social Responsibility Committee was held.

**(b) Terms of Reference of the Committee, *inter alia*, include the following:**

1. To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder
2. To recommend the amount of expenditure to be incurred on the CSR activities
3. To monitor the implementation of the CSR Policy of the Company from time to time
4. To approve the Corporate Sustainability Reports and oversee the implementation of sustainability activities

**Besides the above-mentioned Committees, the Company also has the following working Committees of the Board:**

1 Finance Committee

2 Risk Management Committee

3 Securities Issue Committee

4 Routine Business Matters Committee

5 Whistle Blower Committee

## IV. CODE OF CONDUCT

The Board had laid down a Code of Conduct for all the Directors and Senior Management (Executives) of the Company. This code is also posted on the Company website **(www.dennetworks.com)**. All the Board Members and Senior Management Personnel to whom this Code of Conduct is applicable have affirmed compliance with the Code during the year under review.

**Practising Company Secretary's certificate on Corporate Governance**

As required by Regulation 34(3) Schedule V (E) of the SEBI (LODR) Regulations, 2015, a certificate from practising company secretary is annexed to this report.

**CEO and CFO Certification**

As required by Regulation 17 (8) read with Schedule II Part B of the SEBI (LODR) Regulations, 2015, the CEO and CFO have given appropriate certifications to the Board of Directors.

**Reconciliation of Share Capital Audit**

In terms of Regulation 40 (9) of the SEBI (LODR) Regulations, 2015, a certificate has been issued by the Company Secretary in- practice with respect to due compliance of share transfer formalities by the Company.

The Company Secretary-in-practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with ***National Securities Depository Limited ("NSDL")*** and ***Central Depository Services (India) Limited ("CDSL")*** (collectively ***"Depositories"***) and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories), respectively.

The Company has filed the same certificate with the Stock Exchanges within stipulated time period.

**CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

The Company has formulated a Code of Conduct for Prevention of Insider Trading ('Code') in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Company's Code, *inter alia*, prohibits purchase and/or sale of shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods. This code is available on the Company website i.e., www.dennetworks.com

## V. GENERAL BODY MEETINGS

The details of last three Annual General Meetings of the Company are as follows:

| Year | Location | Date | Day | Time |
|---|---|---|---|---|
| 2014-15 | Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110001 | September 29, 2015 | Tuesday | 11.30 A.M. |
| 2015-16 | Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110001 | September 29, 2016 | Thursday | 11.30 A.M. |
| 2016-17 | Sri Sathya Sai Auditorium, Lodhi Road, Bhishm Pitamah Marg, New Delhi - 110003 | September 27, 2017 | Wednesday | 11.30 A.M. |

**Special resolutions passed at the last 3 Annual General Meetings (AGM)**

1. At the AGM held on September 29, 2015:- There was no matter that required passing of a Special Resolution except re-appointment and fixation of remuneration of Mr. Sameer Manchanda, Chairman Managing Director of the Company.
2. At the AGM held on September 29, 2016:- There was no matter that required passing of a Special Resolution except ratification in foreign investments limits.
3. At the AGM held on September 27, 2017:- There was no matter that required passing of a Special Resolution.

No any Special Resolution(s) had passed during the year 2017-2018 through postal ballot and no any Special Resolution proposed to be conducted/ passed through postal ballot.

## VI. MEANS OF COMMUNICATION

- Quarterly financial results and audited Annual financial results are published regularly within the prescribed time limit in 'Business Standard' (English and Hindi editions).
- In compliance with the Listing Regulations, the Company promptly submits the financial results and other business updates to the Stock Exchange(s) to enable them to display these on their websites.
- The Financial results and other shareholders information(s) is also displayed on the Company website i.e., **www.dennetworks.com**
- The Company has an exclusive e-mail id :- investorrelations@denonline.in dedicated for prompt redressal of Shareholders' queries, grievances etc.,
- The Company holds analyst call in each quarter, to apprise and make public the information relating to the Company's working and future outlook and may also make presentations to the institutional investors and upload at its website, from time to time.

## VII. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

| | |
|---|---|
| Date, Time & Venue | Wednesday, September 19, 2018 at 11.30 A.M. at Kamani Auditorium, 1, Copernicus Marg, New Delhi – 110 001, Delhi. |
| Financial year | April 01, 2017 – March 31, 2018 |
| Dividend payment date | The Board of Directors of the Company have not recommended any dividend for the Financial Year ended March 31, 2018. |
| Listing information, Stock Code & annual listing fee' status | The Equity shares of the Company are listed on BSE Limited (BSE) under scrip code 533137 and on National Stock Exchange of India Limited (NSE) with scrip code 'DEN'. The Company has paid annual listing fee for the financial year 2017-2018 within stipulated time period. The Company has also paid annual listing fee for financial year 2018-2019 to Stock Exchange(s).<br><br>The International Securities Identification Number (ISIN) allotted to the Company's share under the Depository System is INE947J01015. |
| Registrar to an issue and share transfer agents | Karvy Computershare Private Limited<br>Karvy House, 46 Avenue 4, Street No. 1,<br>Banjara Hills, Hyderabad- 500 034<br>Ph # (+ 91 40) 2342 0815<br>Fax # (+91 40) 2342 0814<br>Email: einward.ris@karvy.com |
| Address for correspondence | Jatin Mahajan<br>Compliance Officer & Company Secretary<br>Ph # (+91 –011) 40522242<br>Fax # (+91 – 011) 40522204<br>Email: investorrelations@denonline.in |
| Plant locations | The company is not engaged in manufacturing/ production activities |

**Financial Calendar:**

**[Tentative and subject to change]**

| | |
|---|---|
| Financial Reporting for the 1st Quarter ending June 30th, 2018. | Within first 14 days of August, 2018. |
| Financial Reporting for the 2nd Quarter ending September 30th, 2018. | Within first 14 days of November, 2018. |
| Financial Reporting for the 3rd Quarter ending December 31st, 2018. | Within first 14 days of February, 2019. |
| Financial Reporting for the last Quarter ending March 31st, 2019. | Within 60 days from end of the Financial year *viz*., March 31, 2019, in case of Audited Annual Financial Results. |

**Date of Book Closure**

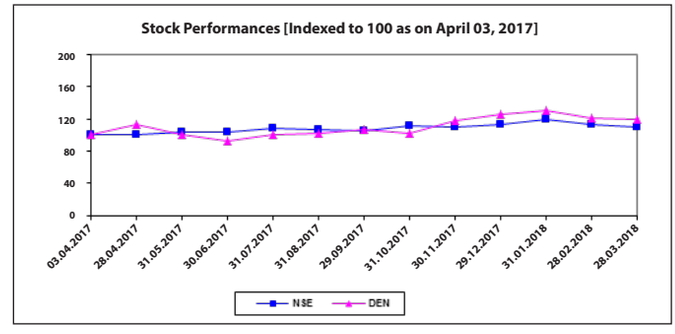
September 12, 2018 to September 18, 2018 (both days inclusive)

**Market Price Data**

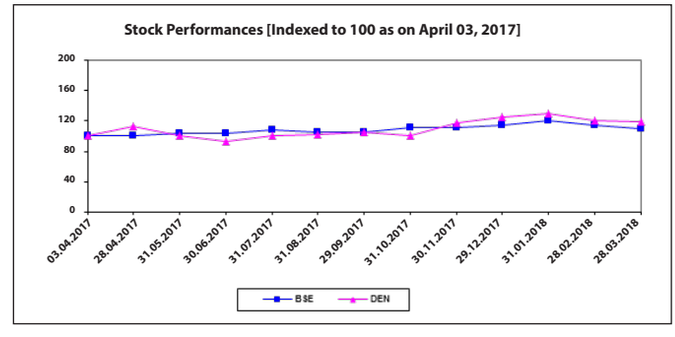
Equity Shares of the Company are listed and traded on BSE and NSE and the High/ Low rates of the shares of the Company during the year, ended on March 31, 2018 are as follows:

| Month | NSE (In ₹ Per share) | | BSE (In ₹ Per share) | |
|---|---|---|---|---|
| | Month's high price | Month's low price | Month's high price | Month's low price |
| Apr-17 | 105.00 | 82.00 | 104.80 | 83.00 |
| May-17 | 104.00 | 82.30 | 105.00 | 82.35 |
| Jun-17 | 88.00 | 76.35 | 87.70 | 76.50 |
| Jul-17 | 86.00 | 76.50 | 85.40 | 76.45 |
| Aug-17 | 97.00 | 72.55 | 96.00 | 65.00 |
| Sep-17 | 99.00 | 81.65 | 99.15 | 82.00 |
| Oct-17 | 91.35 | 82.25 | 90.80 | 82.10 |
| Nov-17 | 104.25 | 82.80 | 103.60 | 83.00 |
| Dec-17 | 117.90 | 93.60 | 118.00 | 93.60 |
| Jan-18 | 149.40 | 103.85 | 149.55 | 103.60 |
| Feb-18 | 119.85 | 85.35 | 119.10 | 90.00 |
| Mar-18 | 103.70 | 85.35 | 103.75 | 85.50 |

Stock Performance in Comparison with NSE 50 Nifty




Stock performance in Comparison with BSE SENSEX



**Share Transfer System**

The transfer of shares has been approved at the meetings of the Share Transfer Committee, as and when share transfer request is placed before the Share Transfer Committee.

Approximate time taken for share transfer, if documents are in order in all respects: 15 days

Total No. of shares transferred during 2017 – 2018 : 1217

Number of Shares pending for Transfer as on 31.03.2018 : NIL

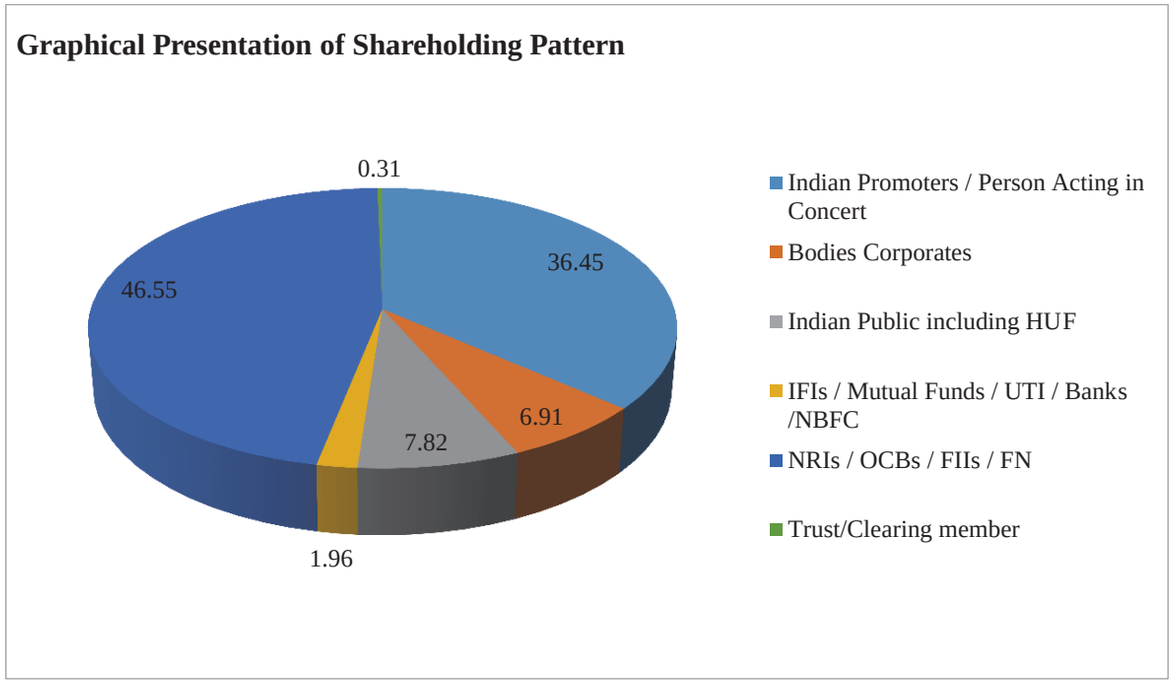
**Dematerialization of Shares and Liquidity**

The shares of the Company are compulsorily traded in dematerialized mode and are registered for trading with both the depository participants i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The status of holding in dematerialized and physical mode, as on March 31, 2018 is as under:

| Sl. No. | Mode of Holding | No. of shares | % of total share capital |
|---|---|---|---|
| 1 | Demat | 19,55,80,440 | 99.90 |
| 2 | Physical | 1,95,405 | 0.10 |
| | **TOTAL** | **19,57,75,845** | **100.00** |

**Shareholding as on 31.03.2018**

| S. No. | Category | No. of Shareholders | No. of Shares | % of shareholding |
|---|---|---|---|---|
| 1 | Indian Promoters / Person Acting in Concert | 7 | 713,60,420 | 36.45 |
| 2 | Bodies Corporates | 290 | 135,28,341 | 6.91 |
| 3 | Indian Public including HUF | 11,546 | 153,08,423 | 7.82 |
| 4 | IFIs / Mutual Funds / UTI / Banks /NBFC | 11 | 38,41,248 | 1.96 |
| 5 | NRIs / OCBs / FIIs / FN | 252 | 911,22,867 | 46.55 |
| 6 | Trust/Clearing member | 94 | 6,14,546 | 0.31 |
| | **Total** | **12,200** | **1957,75,845** | **100.00** |



**Distribution Schedule as on 31.03.2018**

**DISTRIBUTION SCHEDULE AS ON 31/03/2018**

| S. No. | Category | No. of Cases | % of Cases | Amount | % of Amount |
|---|---|---|---|---|---|
| 1 | 1-5000 | 10,359 | 84.91 | 119,29,020.00 | 0.61 |
| 2 | 5001- 10000 | 793 | 6.50 | 65,18,580.00 | 0.33 |
| 3 | 10001- 20000 | 387 | 3.17 | 58,95,110.00 | 0.30 |
| 4 | 20001- 30000 | 172 | 1.41 | 43,81,130.00 | 0.22 |
| 5 | 30001- 40000 | 70 | 0.57 | 24,91,620.00 | 0.13 |
| 6 | 40001- 50000 | 69 | 0.57 | 32,96,790.00 | 0.17 |
| 7 | 50001- 100000 | 137 | 1.12 | 102,30,820.00 | 0.52 |
| 8 | 100001& Above | 213 | 1.75 | 191,30,15,380.00 | 97.72 |
| | **Total:** | **12,200** | **100.00** | **195,77,58,450.00** | **100.00** |

**Outstanding GDRs/ADRs/Warrants/Convertible Instruments/ ESOPs**

The Company has not issued any ADRs/GDRs/Convertible instruments during the year under review except issuance and allotment of 17,50,000 Equity Shares under DEN ESOP Scheme, 2014.

**VIII. OTHER DISCLOSURES**

As per SEBI (LODR) Regulations following information(s) are summarised below:

**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large;**

None of the transactions with any of the related parties i.e. transactions of the Company of material nature, with its Promoters, the Directors and the management, their relatives or subsidiaries, etc. were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes of the Standalone Financial Statements, forming part of the Annual Report. The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization, the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arm's length basis and are intended to further serve the interests of the Company.

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

There has no instance of non-compliance by the Company, therefore, no penalties or strictures have been imposed on the Company by the Stock Exchanges or another statutory authority with respect to any matter related to capital markets during the last three years.

**(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

The Company has framed a Whistle Blower Policy which was approved by the Board of Directors on May 30, 2014. The Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behaviour, frauds and other grievances. Pursuant to SEBI (LODR) Regulations, 2015 & the Companies Act 2013, the company has constituted a grievance redressal platform wherein any employee can report or escalate unethical activities which he/she has witnessed or experienced. There is an email id exclusively created for this purpose, employees can write-in for workplace related concern or escalations related to any ethical/legal violation to the Code of Conduct of the company. The email id. is den-cares@denonline.in. There have been no grievances reported as on March 31, 2018.

**(d) Details of compliance with mandatory requirement and adoption of non-mandatory requirements;**

The Company has fully complied with the mandatory requirements of Corporate Governance Regulations of SEBI (LODR), regulations 2015, as amended, and have also adopted non-mandatory requirements.

**(e) Web link where policy for determining 'material' subsidiaries is disclosed;**

The Company has framed a policy for determining of material subsidiary. The web link is http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance

**(f) Web link where policy on dealing with related party transactions;**

http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance

**(g) Disclosure of commodity price risks and commodity hedging activities;**

Not applicable.

**IX. COMPLIANCE OF CORPORATE GOVERNANCE REPORT**

The Company is complied with applicable requirements of the Corporate Governance Report.

## X. DISCLOSURE OF APOTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF THE SCHEDULE II

The Company has adopted discretionary requirements as specified in part E of the Schedule II of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, to the extent applicable on it.

## XI. INVESTORS UPDATE

a) Investors are requested to communicate change of address, if any, directly to the share transfer agent of the Company at the above address.

b) As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.

c) The shareholders are requested to dematerialize their physical share certificates, through a depository participant. Shareholders requiring any further clarification/ assistance on the subject may contact the Company's share transfer agent.

d) Pursuant to Section 72 of the Companies Act, 2013 read along with applicable rules thereof, investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form will be made available on request.

e) Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.

f) The Company has not declared dividend. Hence, there is no requirement to transfer in terms of Section 125 of the Companies Act, 2013.

g) Ministry of Corporate Affairs (MCA) vide Circular bearing nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011 respectively has taken steps towards "Green Initiative", by allowing paperless compliances by serving documents through electronic mode (e-mail) by companies to its shareholders. As an enlightened corporate citizen, going forward we propose to send all future shareholders' communications like Notices, Company's Annual Report etc. through electronic mode. This will also ensure prompt receipt of communication avoids loss in postal transit and saving of huge cost incurred in printing and postage.

In support to the "Green Initiative". We therefore request you to kindly provide your e-mail address to our Registrar. The Company would also make available these documents on the Company's website for reference and download by the shareholders. The Shareholders who still hold the shares in the physical mode are requested to convert their respective holding in Dematerialisation form and get their e-mail registered with the Company / Registrar & Share Transfer Agent to enable your Company to actively participate in the said Green Initiative.

**Redressal of Investors Complaints**

The philosophy of the Company is to give utmost importance to the redressal of investor's grievances. In terms of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, the Company has designated a separate e-mail address as mentioned hereunder, for investors to lodge their complaints: investorrelations@denonline.in

# CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To

The Members
**DEN Networks Limited**
236, Okhla Industrial Estate,
Phase-III, New Delhi-110020

1. I have reviewed the implementation of the Corporate Governance procedures by DEN Networks Limited ('the Company') during the year ended March 31st 2018, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations for the period from April 01, 2017 to March 31, 2018, with the relevant records and documents maintained by the Company and furnished to me for my review, explanations given to me and report on Corporate Governance, as approved by the Board of Directors.

2. The Compliance of conditions of Corporate Governance is responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

3. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

4. On the basis of my review and according to the best of my information and according to the explanations given to me, the Company has been complying with the conditions of Corporate Governance, as stipulated above mentioned Listing Regulations, as applicable.

5. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and it should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

Place: New Delhi
Date: 03.08.2018

**Sd/-**
**Nitin Gupta**
Company Secretary in whole time practice
(Proprietor)
Membership No.: A35299
C. P. No.: 14087

# DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2018, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

**For Den Networks Limited**

Sd/-
**Chief Executive Officer**

Delhi, Aug. 03, 2018

# CEO AND CFO CERTIFICATION

Dear Members,

**DEN Networks Limited,**

We, S. N. Sharma, Chief Executive officer and Himanshu Jindal, Chief Financial officer, certify that:

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii) These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee that there were no:-
   i. Significant changes in internal control over financial reporting the year;
   ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. Instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For DEN Networks Limited**
Sd/-
Chief Executive officer

**For DEN Networks Limited**
Sd/-
Chief Financial Officer

Place: Delhi
Date: Aug. 03, 2018

# STANDALONE
# Ind AS FINANCIAL STATEMENTS

# INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF DEN NETWORKS LIMITED**

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **DEN NETWORKSLIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2018,and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us,the aforesaid standalone 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31March, 2018, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
   e) On the basis of the written representations received from the directors of the Company as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 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 Companyand the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A". 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 on its financial position in its standalone Ind AS financial statements.Refer Note 29(b) to the standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 45 to the standalone Ind AS financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund bythe Company. Refer Note 48 to the standalone Ind AS financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"/"CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "ANNEXURE B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

Place : New Delhi
Date : 18 May, 2018

**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **DEN NETWORKS LIMITED** ("the Company") as of 31 March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that 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 Controls Over 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 risks 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

Place: New Delhi
Date : 18 May, 2018

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(i) In respect of its property, plant and equipment:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b. The Company has a program of verification of property, plant and equipment to cover all items in a phased manner over a period of three years other than set top boxes, which are in possession of customers/ third parties and distribution equipment comprising overhead and underground cables. Management is of the view that it is not possible to physically verify these assets due to their nature and location. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, the existence of set top boxes is verified on the basis of the 'active user' status in the system. No material discrepancies were noticed on such verification.

In our opinion, other than for physical verification of set top boxes and distribution equipment referred to above, the frequency of verification of property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.

c. The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has granted unsecured loansto companies covered in the Register maintained under Section 189 of the Companies Act, 2013, in respect of which:

a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

c. There is no amount overdue for more than 90 days at the balance sheet date.

The Company has not granted any secured loans to companies and secured or unsecured loans to firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. The Company does not have any unclaimed deposits and accordingly the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and the Cost Records and Audit (Telecommunication Industry) Rules prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanations given to us, the Company's operations did not give rise to any Excise Duty.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March, 2018 for a period of more than six months from the date they became payableother than the dues related to entertainment tax, the details of which are given below:

| Name of Statute | Nature of Dues | Amount involved (Rs. in million) | Period to which the amount relates | Due date |
|---|---|---|---|---|
| Delhi Entertainment T ax Act, 1996 | Entertainment Tax | 1.64 | June 2017 | Within 7 days from the expiry of each month |

According to the information and explanations given to us, the Company's operations did not give rise to any Excise Duty.

c. Details of dues of Sales Tax, Service Tax, Customs Duty and Value Added Tax which have not been deposited as on 31 March, 2018 on account of disputes are given below:

| Name of Statute | Nature of Dues | Forum where Dispute is Pending | Period to which the Amount Relates | Amount Unpaid (Rs. in million) |
|---|---|---|---|---|
| The Uttar Pradesh Value Added Tax Act, 2008 | Value Added Tax | Deputy Commissioner of Commercial Taxes | April 2012 to March 2017 | 528.47 |
| Karnataka Value Added Tax Act, 2003 | Value Added Tax and Central Sales Tax | Joint Commissioner of Commercial Taxes (Appeals) | April 2008 to March 2013 and April 2014 to March 2015 | 241.34 |
| Delhi Value Added Tax Act, 2004 | Value Added Tax | Special Commissioner- Department of trade and taxes | April 2014 to March 2015 | 0.45 |
| Delhi Value Added Tax Act, 2004 | Value Added Tax | Additional Commissioner – Delhi VAT | April 2013 to March 2014 and April 2015 to March 2017 | 5.20 |
| Kerala Value Added Tax Act, 2003 | Value Added Tax and Central Sales Tax | Assistant Commissioner Appeals, Commercial Taxes | April 2011 to March 2013 | 31.11 |
| Kerala Value Added Tax Act, 2003 | Value Added Tax and Central Sales Tax | High Court of Kerala | April 2013 to March 2014 | 36.12 |
| Kerala Value Added Tax Act, 2003 | Value Added Tax and Central Sales Tax | High Court of Kerala | April 2015 to March 2016 | 198.61 |
| Kerala Value Added Tax Act, 2003 | Value Added Tax and Central Sales Tax | Intelligence officer | April 2013 to March 2016 | 10.63 |
| West Bengal Value Added Tax Act, 2003 | Value Added Tax | Joint Commissioner of Commercial Taxes | April 2014 to March 2015 | 3.99 |
| Haryana Value Added Tax Act, 2003 | Value Added Tax | Deputy Commissioner of Commercial Taxes | April, 2015 to March, 2016 | - |
| **Sub Total of Sales Tax and Value Added Tax** | | | | **1,055.91*** |

| Name of Statute | Nature of Dues | Forum where Dispute is Pending | Period to which the Amount Relates | Amount Unpaid (Rs. in million) |
|---|---|---|---|---|
| Custom Act, 1962 | Custom Duty | Directorate of Revenue Intelligence | February 2012 to December 2016 | 149.05** |
| Finance Act, 1994 | Service Tax | Assistant Commissioner, Goods and Services tax Commissionerate | April, 2012 to March, 2016 | 4.34 |

*Net of Rs. 73.77 million under protest.
**Net of Rs. 89.94 miilion under protest.

We are informed that there are no dues in respect of Income-tax which have not been deposited on account of any dispute. According to the information and explanations given to us, the Company's operations did not give rise to any Excise Duty.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutionand banks. The Company has not taken any loans or borrowing from government or has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary companies or associates, as applicable, or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

Place: New Delhi
Date: 18 May, 2018

# BALANCE SHEET AS AT 31 MARCH, 2018

| Particulars | Note No. | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) (Restated) (See note 49 and 50) | As at 01.04.2016 (Rs. in million) (Restated) (See note 49 and 50) |
|---|---|---|---|---|
| **A. ASSETS** | | | | |
| **1. Non-current assets** | | | | |
| (a) Property, plant and equipment | 3A | 6,706.51 | 7,275.07 | 7,812.96 |
| (b) Capital work-in-progress | 3A | 312.05 | 307.58 | 915.95 |
| (c) Other intangible assets | 3B | 74.90 | 75.83 | 75.84 |
| (d) Financial assets | | | | |
| (i) Investments | 4 | 5,260.94 | 3,719.46 | 4,198.61 |
| (ii) Finance lease receivables | 5 | - | - | 22.86 |
| (iii) Other financial assets | 6 | 266.47 | 31.68 | 34.89 |
| (e) Non current tax assets (net) | 7 | 757.91 | 1,089.90 | 1,115.25 |
| (f) Deferred tax assets (net) | 28C | 375.84 | 209.22 | 209.22 |
| (g) Other non-current assets | 9 | 337.96 | 353.20 | 264.21 |
| **Total non-current assets** | | **14,092.58** | **13,061.94** | **14,649.79** |
| **2. Current assets** | | | | |
| **(a) Financial assets** | | | | |
| (i) Other investments | 10 | 529.84 | 266.79 | 357.28 |
| (ii) Trade receivables | 11 | 3,797.00 | 3,166.80 | 3,331.39 |
| (iii) Cash and cash equivalents | 12 | 898.44 | 443.55 | 1,283.60 |
| (iv) Bank balances other than cash and cash equivalents | 13 | 1,629.56 | 2,337.58 | 3,201.99 |
| (v) Loans | 8 | 396.68 | 1,629.12 | 1,224.00 |
| (vi) Finance lease receivables | 5 | - | 155.02 | 393.09 |
| (vii) Other financial assets | 6 | 849.97 | 760.67 | 778.58 |
| (b) Other current assets | 9 | 188.40 | 284.84 | 578.53 |
| **Total current assets** | | **8,289.89** | **9,044.37** | **11,148.46** |
| **Total assets** | | **22,382.47** | **22,106.31** | **25,798.25** |
| **B. EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| (a) Equity share capital | 14 | 1,953.18 | 1,935.68 | 1,777.42 |
| (b) Other equity | 15 | 6,148.71 | 6,394.21 | 7,195.14 |
| **Total equity** | | **8,101.89** | **8,329.89** | **8,972.56** |
| **Liabilities** | | | | |
| **1. Non-current liabilities** | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 16 | 3,137.09 | 1,873.19 | 3,001.33 |
| (ii) Other financial liabilities | 20 | 5.23 | 4.99 | 2.69 |
| (b) Provisions | 17 | 55.86 | 51.24 | 48.27 |
| (c) Other non-current liabilities | 21 | 2,895.79 | 3,162.23 | 2,868.00 |
| **Total non-current liabilities** | | **6,093.97** | **5,091.65** | **5,920.29** |
| **2. Current liabilities** | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 18 | 1,042.92 | 1,146.32 | 2,652.57 |
| (ii) Trade payables | 19 | 4,378.50 | 3,749.12 | 3,157.66 |
| (iii) Other financial liabilities | 20 | 1,611.72 | 2,538.31 | 3,820.02 |
| (b) Provisions | 17 | 42.40 | 42.09 | 39.89 |
| (c) Other current liabilities | 21 | 1,111.07 | 1,208.93 | 1,235.26 |
| **Total current liabilities** | | **8,186.61** | **8,684.77** | **10,905.40** |
| **Total liabilities** | | **14,280.58** | **13,776.42** | **16,825.69** |
| **Total equity and liabilities** | | **22,382.47** | **22,106.31** | **25,798.25** |
| See accompanying notes to the standalone Ind AS financial statements | 1 to 55 | | | |

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

New Delhi
18 May, 2018

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

**Sd/-**
**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

| Particulars | Note No. | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) (Restated) (See note 49) |
|---|---|---|---|
| **1. Income** | | | |
| (a) Revenue from operations | 22 | 10,644.47 | 8,989.92 |
| (b) Other income | 23 | 365.64 | 482.79 |
| **2. Total income** | | **11,010.11** | **9,472.71** |
| **3. Expenses** | | | |
| (a) Content cost | | 5,183.87 | 4,358.91 |
| (b) Placement fees | | 1,647.23 | 1,733.00 |
| (c) Employee benefits expense | 24 | 670.90 | 760.25 |
| (d) Finance costs | 25 | 596.01 | 603.92 |
| (e) Depreciation and amortisation expense | 3C | 1,442.17 | 1,848.15 |
| (f) Other expenses | 26 | 1,768.90 | 1,698.75 |
| **4. Total expenses** | | **11,309.08** | **11,002.98** |
| **5. Profit / (Loss) before exceptional items and tax expense (2-4)** | | (298.97) | (1,530.27) |
| 6. Exceptional items | 27 | 158.90 | 632.28 |
| **7. Profit / (Loss) before tax (5-6)** | | **(457.87)** | **(2,162.55)** |
| **8. Tax expense** | | | |
| (a) Current tax | 28A(a) | 20.14 | - |
| (b) Deferred tax | 28A(b) | (168.22) | - |
| **9. Total tax expense** | | **(148.08)** | **-** |
| **10. Profit / (Loss) after tax (7-9)** | | **(309.79)** | **(2,162.55)** |
| **11. Other comprehensive income** | | | |
| (i) Items that will not be reclassified to profit or loss: | 34 | | |
| (a) Remeasurement of defined benefit obligations | | 4.66 | 4.79 |
| (b) Income tax relating to items that will not be reclassified to profit or loss | 28A(b) | (1.60) | - |
| **12. Total other comprehensive income** | | **3.06** | **4.79** |
| **13. Total comprehensive income/(loss) for the year (10+12)** | | **(306.73)** | **(2,157.76)** |
| **14. Earnings per equity share (EPS)** | 35 | | |
| (Face value of Rs. 10 per share) | | | |
| Basic (in Rs.) | | (1.59) | (11.70) |
| Diluted (in Rs.) | | (1.59) | (11.70) |
| See accompanying notes to the standalone Ind AS financial statements | 1 to 55 | | |

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

New Delhi
18 May, 2018

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

**Sd/-**
**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) (Restated) (See note 49 and 50) |
|---|---|---|---|
| **A.** | **Cash flow from operating activities** | | |
| | Profit / (Loss) after tax | (309.79) | (2,162.55) |
| | Adjustments for : | | |
| | Liabilities/ excess provisions written back (net) | (230.33) | (95.23) |
| | Interest income earned on financial assets that are not designated as at | (190.28) | (295.28) |
| | fair value through profit or loss | | |
| | Interest on income tax refund | (27.04) | (75.88) |
| | Dividend income from current and non-current investments | | |
| | - from current investments in mutual funds | - | (0.05) |
| | - from non-current investments in subsidiaries | (48.89) | (1.77) |
| | Net gain on foreign currency transactions and translation | (17.22) | (42.10) |
| | Net gain on sale of current investments (other than non trade and unquoted) | (27.06) | (32.38) |
| | Net gain on sale of non - current investments | (6.40) | - |
| | Net gain on sale of property, plant and equipment | (16.72) | - |
| | Share-based payments to employees | 61.23 | 107.02 |
| | Finance costs | 596.01 | 603.92 |
| | Depreciation and amortisation expense | 1,442.17 | 1,848.15 |
| | Allowance on trade receivables and advances | 80.35 | 189.76 |
| | Property, plant and equipment/ capital work in progress written off | - | 1.07 |
| | Loss on sale of property, plant and equipment (net) | - | 2.56 |
| | Doubtful trade receivables and advances written off | 140.08 | - |
| | Provision for impairment in value of investments in subsidiary companies | - | 210.00 |
| | Provision for impairment in value of investments in associate | - | 248.42 |
| | Loss on sale of non-current investments | 18.82 | 130.53 |
| | Income tax expense recognised in profit or loss | (148.08) | - |
| | **Operating profit/ (Loss) before working capital changes** | **1,316.85** | **636.19** |
| | Changes in working capital: | | |
| | Adjustments for (increase)/ decrease in operating assets: | | |
| | Trade receivables | (850.63) | (5.60) |
| | Other financial assets - current | (141.32) | (125.80) |
| | Other financial assets - non-current | (1.93) | 3.15 |
| | Other current assets | 96.44 | 293.69 |
| | Other non-current assets | (5.86) | (110.17) |
| | Adjustments for increase / (decrease) in operating liabilities: | | |
| | Trade payables | 876.93 | 728.79 |
| | Other financial liabilities - current | (0.22) | (2.30) |
| | Other financial liabilities - non-current | 0.24 | 2.30 |
| | Provisions - current | 4.97 | 6.99 |
| | Provisions - non-current | 4.62 | 2.97 |
| | Other current liabilities | (97.86) | (26.33) |
| | Other non-current liabilities | (266.44) | 294.23 |
| | **Cash generated from operations** | 935.79 | 1,698.11 |
| | Net income tax (paid) / refunds | 311.85 | 25.35 |
| | **Net cash flow from operating activities** **(A)** | **1,247.64** | **1,723.46** |
| **B.** | **Cash flow from investing activities** | | |
| | Capital expenditure on property, plant and equipment including capital advances | (1,036.93) | (1,184.95) |
| | Proceeds from sale of property, plant and equipment | 240.51 | 378.05 |
| | Bank balances not considered as Cash and cash equivalents | | |
| | - Placed | 583.02 | 864.41 |
| | Current investments not considered as Cash and cash equivalents: | | |
| | - Purchased | (950.00) | (2,870.57) |
| | - Proceeds from sale | 714.01 | 2,993.44 |
| | Purchase/acquisition of non-current investments: | | |
| | - Subsidiaries | (1,532.69) | (209.58) |

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) (Restated) (See note 49 and 50) |
|---|---|---|---|
| Proceeds from disposal of non-current investments | | | |
| - Subsidiaries | | - | 19.20 |
| - Associates | | 6.40 | 80.00 |
| Dividend on | | | |
| - Non-current investments | | 48.89 | 1.77 |
| - Current investments | | - | 0.05 |
| Loan | | | |
| - Given | | (407.58) | (755.73) |
| - Realised | | 1,640.02 | 350.61 |
| Advance given for investments | | (107.86) | 0.05 |
| Interest received | | 215.47 | 400.85 |
| **Net cash (used in)/from investing activities** | **(B)** | **(586.74)** | **67.60** |
| **C. Cash flow from financing activities** | | | |
| Proceeds from issue of equity shares | | 17.50 | 1,424.34 |
| Share issue expenses | | - | (16.27) |
| Borrowings- non current | | | |
| - Proceeds | | 1,610.88 | 1,889.51 |
| - Repayments | | - | (3,057.64) |
| Borrowings-current | | | |
| - Proceeds | | - | 283.80 |
| - Repayments | | (1,225.23) | (2,525.59) |
| Finance costs | | (609.16) | (629.26) |
| **Net cash used in financing activities** | **(C)** | **(206.01)** | **(2,631.11)** |
| Net (decrease)/increase in cash and cash equivalents | **(A+B+C)** | 454.89 | (840.05) |
| Cash and cash equivalents as at the beginning of the year | | 443.55 | 1,283.60 |
| **Cash and cash equivalents as at the end of the year (See note 13)*** | | **898.44** | **443.55** |
| * Comprises: | | | |
| a. Cash on hand | | 38.17 | 14.34 |
| b. Cheques on hand | | 95.57 | - |
| c. Balance with scheduled banks | | | |
| i. in current accounts | | 729.16 | 279.21 |
| ii. in deposit accounts | | | |
| -original maturity of 3 months or less | | 35.54 | 150.00 |
| | | **898.44** | **443.55** |
| See accompanying notes to the standalone Ind AS financial statements | 1 to 55 | | |

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
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New Delhi
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**For and on behalf of the Board of Directors of**
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**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2018

**a. Equity share capital**

**(Rs. in million)**

| Particulars | Amount |
|---|---|
| **Balance at 1 April, 2016** | **1,777.42** |
| Changes in equity share capital during the year | |
| Issue of equity shares (See note 42) | 158.26 |
| **Balance at 31 March, 2017** | **1,935.68** |
| Changes in equity share capital during the year | |
| Issue of equity shares (See note 39) | 17.50 |
| **Balance at 31 March, 2018** | **1,953.18** |

**b. Other equity**

**(Rs. in million)**

| Particulars | Reserves and Surplus | | | | Total |
|---|---|---|---|---|---|
| | Securities premium | General reserve | Equity-settled reserve employee benefits | Retained earnings | |
| Balance at 1 April, 2016 (Restated) (See note 49 and 50) | 15,127.09 | 202.86 | 61.22 | -8,196.03 | 7,195.14 |
| Profit/(Loss) for the year | - | - | - | -2,162.55 | -2,162.55 |
| Other comprehensive income for the year (net of income tax) | - | - | - | 4.79 | 4.79 |
| Total comprehensive income/(loss) for the year | - | - | - | -2,157.76 | -2,157.76 |
| Premium on shares issued during the year (See note 42) | 1,266.08 | - | - | - | 1,266.08 |
| Share issue expenses | -16.27 | - | - | - | -16.27 |
| Share-based payments to employees (See note 24) | - | - | 107.02 | - | 107.02 |
| **Balance at 31 March, 2017 (Restated) (See note 49 and 50)** | **16,376.90** | **202.86** | **168.24** | **-10,353.79** | **6,394.21** |
| Profit/(Loss) for the year | - | - | - | -309.79 | -309.79 |
| Other comprehensive income for the year (net of income tax) | - | - | - | 3.06 | 3.06 |
| Total comprehensive income/(loss) for the year | - | - | - | -306.73 | -306.73 |
| Premium on shares issued during the year (See note 39) | 139.34 | - | -139.34 | - | - |
| Share-based payments to employees (See note 24) | - | - | 61.23 | - | 61.23 |
| **Balance at 31 March, 2018** | **16,516.24** | **202.86** | **90.13** | **-10,660.52** | **6,148.71** |

See accompanying notes to the standalone Ind AS financial statements 1 to 55

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

New Delhi
18 May, 2018

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

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Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# NOTES TO THE FINANCIAL STATEMENTS

**DEN NETWORKS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Corporate information**

DEN NETWORKS LIMITED (hereinafter referred to as 'the Company' or 'DEN') was incorporated in India on 10 July, 2007 and is primarily engaged in distribution of television channels through digital cable distribution network .The Company is having its registered office at 236, Okhla Industrial Area, Phase III, New Delhi - 110020.

The Company changed its status from a Private Limited Company to a Public Limited Company on 15 April, 2008 thereby changing its name to DEN Digital Entertainment Networks Limited. Subsequently, the Company changed its name to DEN Networks Limited on 27 June, 2008. The equity shares of the Company are listed on two of the stock exchanges in India i.e. National Stock Exchange and Bombay Stock Exchange.

During the financial year 2013-14, the Company had raised funds of Rs. 9,608.22 million by way of Qualified Institutional Placement (QIP) and Preferential Issue of equity shares. Further, during the previous year, the Company had raised Rs. 1,424.34 million by way of Preferential Issue of equity shares.

**2. Significant accounting policies**

**2.01 Basis of preparation**

**(i) Statement of Compliance**

The standalone Ind AS financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. Effective April 1, 2016, the Company had adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(ii) Basis of preparation and presentation**

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

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

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

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

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

**2.02 Cash and cash equivalents**

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

**2.03 Cash flow statement**

Cash flows are reported using indirect method, whereby Profit/(loss) after tax reported under Statement of Profit and 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.

**2.04 Property, plant and equipment**

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

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

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

Useful lives of tangible assets

Estimated useful life of the tangible assets are:

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

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

Transition to Ind AS

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

**2.05 Intangible assets**

Intangible assets acquired separately

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

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

Derecognition of intangible assets

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

Useful lives of intangible assets

Estimated useful life of the intangible assets are:

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

Transition to Ind AS

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

**2.06 Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the

recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

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

**2.07 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

**i. Rendering of services**

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

**ii Sale of goods (equipment)**

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

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

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

c) the amount of revenue can be measured reliably

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

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

**2.08 Other income**

Dividend income and interest income

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

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

**2.09 Share-based payment arrangements**

Share-based payment transactions of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 37.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

**2.10 Foreign Currencies**

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

In preparing the standalone Ind AS financial statements of 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 on monetary items are recognised in Profit or Loss in the period in which they arise.

**2.11 Financial instruments**

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

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

Investment in subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Investments in subsidiaries are carried at cost less impairment. Cost comprises price paid to acquire the investment and directly attributable cost.

Investment in joint ventures and associates

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The investment in joint ventures and associates are carried at cost less impairment. The cost comprises price paid to acquire the investment and directly attributable cost.

Transition to Ind AS

The Company had elected to continue with the carrying value of all of its equity investments in subsidiaries, associates and joint venture as of 1 April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**Financial assets**

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

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

**Classification of financial assets**

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

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

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

recognition):

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

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

All other financial assets are subsequently measured at fair value.

**Effective interest method**

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

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

**Investments in equity instruments at FVTOCI**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

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

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

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

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

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

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

**Impairment of financial assets**

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

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

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has

used a practical expedient as permitted under Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

**Derecognition of financial assets**

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

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

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

**Foreign exchange gains and losses**

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

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

**2.12 Financial liabilities and equity instruments**

Classification as debt or equity

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

Equity instruments

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

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

**Financial liabilities**

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

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

a) Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

- such designation eliminates or significantly reduces a measurement or recognition

inconsistency that would otherwise arise;

- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

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

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

b) Financial liabilities subsequently measured at amortised cost

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

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

c) Foreign exchange gains and losses

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

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

d) Derecognition of financial liabilities

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

**2.13 Employee benefit costs**

**Retirement benefits costs and termination benefits**

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

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

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and

settlements);

b. net interest expense or income; and

c. remeasurement

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

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

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

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

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

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

Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Para 70 of Ind AS 19 Employee Benefits for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Para 70 of Ind AS 19 Employee Benefits.

**2.14 Segment information**

The Company determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the standalone Ind AS financial statements are consistently applied to record revenue and expenditure in individual segments.

**2.15 Leases**

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

**The Company as lessor :**

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

**The Company as lessee :**

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

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

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

incurred.

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

**2.16 Borrowing costs**

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

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

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

**2.17 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional 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 exceptional 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 employee share options and bonus shares, if any, as appropriate.

**2.18 Taxation**

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

Current tax

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

Deferred tax

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

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

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

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

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

Current and deferred tax for the year

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

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

**2.19 Provisions**

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

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

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

2.20.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.20.2 Restructurings

A restructuring provision is recognised when the Company has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.20.3 Contingent liabilities acquired in a business combination

Contingent liabilities (if any) acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 Revenue.

**2.20 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.

**2.21 Insurance claims**

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

**2.22 GST input credit**

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

**2.23 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. (See note 29)

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. (See note 4)

**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 (see note 2.04

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 (see note 2.11)

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 (see note 34).

Revenue recognition (see note 2.07)

Impairment testing of investments (see note 2.11)

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

**2.24 Operating Cycle**

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

**2.25 Recent accounting pronouncements**

As set out below, amendments to standards are effective for annual periods beginning on or after 1 April, 2018 and have not been applied in preparing these standalone Ind AS financial statements.

**Amendment to Ind AS 21, The Effects of Changes in Foreign Exchange Rates**

The amendment to Ind AS 21 applies when a company pays or receives consideration denominated or priced in foreign currency and recognises a non- monetary prepayment asset or deferred income liability before recognising the related item at a later date.

The amendment is effective for accounting periods beginning on or after 1 April, 2018. The Company is evaluating the requirements of amendment to Ind AS 21 and its effect on the standalone Ind AS financial statements.

**Introduction of Ind AS 115, Revenue from Contracts with Customers**

Ministry of Corporate affairs has notified Ind AS 115 'Revenue from Contracts with customers', which is effective from 1 April, 2018. The new standard outlines a single comprehensive control-based model for revenue recognition and supersedes current revenue recognition guidance based on risks and rewards. The Company is evaluating the requirements of Ind AS 115 and its effect on the standalone Ind AS financial statements.

**Amendments to Ind AS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice**

The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively. The Company is evaluating the requirements of amendments to Ind AS 28 and its effect on the standalone Ind AS financial statements.

**Amendment to Ind AS 12 - Recognition of deferred tax assets for unrealised losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 April, 2018. The Company is evaluating the requirements of amendment to Ind AS 12 Income Taxes and its effect on the standalone Ind AS financial statements.

**Amendments to Ind 112 - Disclosure of interests in other entities: Clarification of the scope of disclosure requirements in Ind AS 112**

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale. The Company is evaluating the requirements of amendment to Ind AS 112 and its effect on the standalone Ind AS financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

**Note 3:**

**3A Property, plant and equipment**

**(Rs. in million)**

| | | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|---|
| **Carrying amounts of :** | | | | |
| a) | Leasehold improvements | 4.90 | 3.08 | 6.39 |
| b) | Plant and equipment | | | |
| | (i) Headend and distribution equipment | 876.50 | 971.53 | 1,025.36 |
| | (ii) Set top boxes | 5,775.34 | 6,237.14 | 6,700.32 |
| | (iii) Computers | 8.46 | 10.19 | 12.35 |
| | (iv) Office and other equipment | 31.56 | 36.58 | 46.83 |
| c) | Furniture and fixtures | 1.93 | 2.07 | 1.74 |
| d) | Vehicles | 7.82 | 14.48 | 19.97 |
| | | **6,706.51** | **7,275.07** | **7,812.96** |
| Capital work-in-progress | | 312.05 | 307.58 | 915.95 |
| | | **7,018.56** | **7,582.65** | **8,728.91** |

| | Leasehold improvements | Plant and equipment | | | | Furniture and fixtures | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|
| | | Headend and distribution equipment | Set top boxes | Computers | Office and other equipment | | | |
| **Gross carrying amount** | | | | | | | | |
| Balance at 1 April, 2016 | **10.95** | **1,182.04** | **7,829.49** | **22.09** | **58.42** | **2.18** | **25.92** | **9,131.09** |
| Additions | 0.90 | 122.20 | 1,158.50 | 4.56 | 3.15 | 0.91 | 0.23 | 1,290.45 |
| Disposals | - | (9.14) | (43.62) | (0.37) | (1.75) | (0.06) | (0.09) | (55.03) |
| **Balance at 31 March, 2017** | **11.85** | **1,295.10** | **8,944.37** | **26.28** | **59.82** | **3.03** | **26.06** | **10,366.51** |
| Additions | 4.38 | 92.73 | 752.81 | 3.66 | 5.05 | 0.42 | - | 859.05 |
| Disposals | (1.07) | (42.85) | (146.16) | (0.28) | (1.44) | (0.03) | (6.48) | (198.31) |
| **Balance at 31 March , 2018** | **15.16** | **1,344.98** | **9,551.02** | **29.66** | **63.43** | **3.42** | **19.58** | **11,027.25** |
| **Accumulated depreciation** | | | | | | | | |
| Balance at 1 April, 2016 | **4.56** | **156.68** | **1,129.17** | **9.74** | **11.59** | **0.44** | **5.95** | **1,318.13** |
| Depreciation expense | 4.21 | 171.13 | 1,620.72 | 6.70 | 12.65 | 0.54 | 5.66 | 1,821.61 |
| Elimination on disposals of assets | - | (4.24) | (42.66) | (0.35) | (1.00) | (0.02) | (0.03) | (48.30) |
| **Balance at 31 March, 2017** | **8.77** | **323.57** | **2,707.23** | **16.09** | **23.24** | **0.96** | **11.58** | **3,091.44** |
| Depreciation expenses | 2.56 | 178.61 | 1,211.55 | 5.39 | 9.74 | 0.56 | 4.30 | 1,412.71 |
| Elimination on disposals of assets | (1.07) | (33.70) | (143.10) | (0.28) | (1.11) | (0.03) | (4.12) | (183.41) |
| **Balance at 31 March, 2018** | **10.26** | **468.48** | **3,775.68** | **21.20** | **31.87** | **1.49** | **11.76** | **4,320.74** |
| **Carrying amount** | | | | | | | | |
| Balance at 1 April, 2016 | 6.39 | 1,025.36 | 6,700.32 | 12.35 | 46.83 | 1.74 | 19.97 | 7,812.96 |
| Additions | 0.90 | 122.20 | 1,158.50 | 4.56 | 3.15 | 0.91 | 0.23 | 1,290.45 |
| Disposals | - | (4.90) | (0.96) | (0.02) | (0.75) | (0.04) | (0.06) | (6.73) |
| Depreciation expense | 4.21 | 171.13 | 1,620.72 | 6.70 | 12.65 | 0.54 | 5.66 | 1,821.61 |
| **Balance at 31 March, 2017** | **3.08** | **971.53** | **6,237.14** | **10.19** | **36.58** | **2.07** | **14.48** | **7,275.07** |
| Additions | 4.38 | 92.73 | 752.81 | 3.66 | 5.05 | 0.42 | - | 859.05 |
| Disposals | - | (9.15) | (3.06) | 0.00 | (0.33) | 0.00 | (2.36) | (14.90) |
| Depreciation expense | 2.56 | 178.61 | 1,211.55 | 5.39 | 9.74 | 0.56 | 4.30 | 1,412.71 |
| **Balance at 31 March, 2018** | **4.90** | **876.50** | **5,775.34** | **8.46** | **31.56** | **1.93** | **7.82** | **6,706.51** |

Note:
Property, plant and equipment with a carrying amount of Rs. 5,928.85 million (as at 31 March, 2017: Rs. 6,336.61 million; as at 1 April, 2016: Rs. 6,645.72 million) has been pledged to secured term loans from banks under a mortgage (see note 16, note 18 and note 20). The Company is not permitted to pledge these assets as security for other borrowings or to sell them to another entity.

In addition, the Company's obligations under finance leases (see note 16 and note 20) are secured by the lessors' title to the leased assets, which have a carrying amount of Rs. 777.66 million (as at 31 March, 2017: Rs. 938.46 million; as at 1 April, 2016: Rs. 1,167.24 million).

**3B Other intangible assets**

(Rs. in million)

| | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| **Carrying amounts of :** | | | |
| a) Distribution and network rights | 36.61 | 38.66 | 49.95 |
| b) Software | 38.10 | 36.87 | 25.49 |
| c) Non compete fees | 0.20 | 0.30 | 0.40 |
| | **74.91** | **75.83** | **75.84** |

| | Distribution and network rights | Software | Non compete fees | Total |
|---|---|---|---|---|
| Gross carrying amount | | | | |
| Balance at 1 April, 2016 | **76.36** | **32.15** | **0.50** | **109.01** |
| Additions | 3.41 | 23.12 | - | 26.53 |
| Disposals | - | - | - | - |
| **Balance at 31 March, 2017** | **79.77** | **55.27** | **0.50** | **135.54** |
| Additions | 12.96 | 15.58 | - | 28.54 |
| Disposals | - | - | - | - |
| **Balance at 31 March, 2018** | **92.73** | **70.85** | **0.50** | **164.09** |
| **Accumulated depreciation** | | | | |
| Balance at 1 April, 2016 | **26.41** | **6.66** | **0.10** | **33.17** |
| Amortisation expense | 14.70 | 11.74 | 0.10 | 26.54 |
| Disposals | - | - | - | - |
| **Balance at 31 March, 2017** | **41.11** | **18.41** | **0.20** | **59.72** |
| Amortisation expense | 15.01 | 14.35 | 0.10 | 29.46 |
| Disposals | - | - | - | - |
| **Balance at 31 March, 2018** | **56.12** | **32.76** | **0.30** | **89.18** |
| **Carrying amount** | | | | |
| Balance at 1 April, 2016 | 49.95 | 25.49 | 0.40 | 75.84 |
| Additions | 3.41 | 23.12 | - | 26.53 |
| Disposals | - | - | - | - |
| Amortisation expense | 14.70 | 11.74 | 0.10 | 26.54 |
| **Balance at 31 March, 2017** | **38.66** | **36.87** | **0.30** | **75.82** |
| Additions | 12.96 | 15.58 | - | 28.54 |
| Disposals | - | - | - | - |
| Amortisation expense | 15.01 | 14.35 | 0.10 | 29.46 |
| **Balance at 31 March, 2018** | **36.61** | **38.10** | **0.20** | **74.90** |

**3C. Depreciation and amortisation expense**

| | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| a) Depreciation expense (See note 3A) | 1,412.71 | 1,821.61 |
| b) Amortisation expense (See note 3B) | 29.46 | 26.54 |
| **Total** | **1,442.17** | **1,848.15** |

# NOTES TO THE FINANCIAL STATEMENTS

**4. Investments (See note below)**

**A. i. Unquoted investments in equity shares (all fully paid) of subsidiaries**

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 1 | Den Futuristic Cable Networks Private Limited, (face value of Rs 10 per share) | 11,60,028 | 644.35 | 11,60,028 | 644.35 | 11,60,028 | 644.35 |
| 2 | Mahavir Den Entertainment Private Limited, (face value of Rs 10 per share) | 1,09,236 | 17.11 | 1,09,236 | 17.11 | 1,09,236 | 17.11 |
| 3 | Den Ambey Cable Networks Private Limited, (face value of Rs 10 per share) | 45,838 | 153.34 | 45,838 | 153.34 | 45,838 | 153.34 |
| 4 | Den-Manoranjan Satellite Private Limited, (face value of Rs 10 per share) | 3,570 | 138.61 | 3,570 | 138.61 | 3,570 | 138.61 |
| 5 | Meerut Cable Network Private Limited, (face value of Rs 10 per share) | 51,000 | 83.41 | 51,000 | 83.41 | 51,000 | 83.41 |
| 6 | Den Krishna Cable TV Network Private Limited, (face value of Rs 10 per share) | 70,935 | 79.95 | 70,935 | 79.95 | 70,935 | 79.95 |
| 7 | Shree Siddhivinayak Cable Network Private Limited, (face value of Rs 10 per share) | 25,500 | 25.77 | 25,500 | 25.77 | 25,500 | 25.77 |
| 8 | Den Pawan Cable Network Private Limited, (face value of Rs 10 per share) | 43,053 | 61.16 | 43,053 | 61.16 | 43,053 | 61.16 |
| 9 | Mahadev Den Cable Network Private Limited, (face value of Rs 10 per share) | 45,899 | 28.03 | 45,899 | 28.03 | 45,899 | 28.03 |
| 10 | Den Mod Max Cable Network Private Limited, (face value of Rs 10 per share) | 26,300 | 12.27 | 26,300 | 12.27 | 26,300 | 12.27 |
| 11 | DEN BCN Suncity Network Private Limited, (face value of Rs 10 per share) | 27,380 | 10.02 | 27,380 | 10.02 | 27,380 | 10.02 |
| 12 | Den Crystal Vision Network Private Limited, (face value of Rs 10 per share) | 29,150 | 8.18 | 29,150 | 8.18 | 29,150 | 8.18 |
| 13 | Den Patel Entertainment Network Private Limited, (face value of Rs 10 per share) | 45,900 | 14.55 | 45,900 | 14.55 | 45,900 | 14.55 |
| 14 | Den Kashi Cable Network Private Limited, (face value of Rs 10 per share) | 25,501 | 5.01 | 25,501 | 5.01 | 25,501 | 5.01 |
| 15 | Den Harsh Mann Cable Network Private Limited, (face value of Rs 10 per share) | 27,565 | 3.32 | 27,565 | 3.32 | 27,565 | 3.32 |
| 16 | Den Mahendra Satellite Private Limited, (face value of Rs 10 per share) | 33,300 | 3.01 | 33,300 | 3.01 | 33,300 | 3.01 |
| 17 | Den Prince Network Private Limited, (face value of Rs 10 per share) | 27,384 | 3.00 | 27,384 | 3.00 | 27,384 | 3.00 |
| 18 | Den Varun Cable Network Private Limited, (face value of Rs 10 per share) | 65,416 | 4.32 | 65,416 | 4.32 | 65,416 | 4.32 |
| 19 | Den Pradeep Cable Network Private Limited, (face value of Rs 10 per share) | 1,31,160 | 3.42 | 1,31,160 | 3.42 | 1,31,160 | 3.42 |
| 20 | DEN Ashu Cable Private Limited, (face value of Rs 10 per share) | 44,702 | 15.96 | 44,702 | 15.96 | 44,702 | 15.96 |
| 21 | DEN Bindra Network Private Limited, (face value of Rs 10 per share) | 26,841 | 5.11 | 26,841 | 5.11 | 26,841 | 5.11 |
| 22 | Den Classic Cable TV Services Private Limited, (face value of Rs 10 per share) | 29,685 | 2.65 | 29,685 | 2.65 | 29,685 | 2.65 |
| 23 | DEN Digital Cable Network Private Limited, (face value of Rs 10 per share) | 52,345 | 178.84 | 52,345 | 144.83 | 30,140 | 132.81 |
| 24 | Den Enjoy Cable Networks Private Limited, (face value of Rs 10 per share) | 8,89,950 | 89.99 | 8,89,950 | 89.99 | 8,89,950 | 89.99 |
| 25 | Den F K Cable TV Network Private Limited, (face value of Rs 10 per share) | 58,148 | 39.27 | 58,148 | 39.27 | 58,148 | 39.27 |

## NOTES TO THE FINANCIAL STATEMENTS

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 26 | DEN Jai Ambey Vision Cable Private Limited, (face value of Rs 10 per share) | 25,624 | 2.10 | 25,624 | 2.10 | 25,624 | 2.10 |
| 27 | Den Maa Sharda Vision Cable Networks Private Limited, (face value of Rs 10 per share) | 38,678 | 7.25 | 38,678 | 7.25 | 36,199 | 6.83 |
| 28 | DEN MCN Cable Network Private Limited, (face value of Rs 10 per share) | 56,059 | 33.97 | 56,059 | 33.97 | 56,059 | 33.97 |
| 29 | Den Radiant Satelite Cable Network Private Limited, (face value of Rs 10 per share) | 35,140 | 1.95 | 35,140 | 1.95 | 35,140 | 1.95 |
| 30 | Den Satellite Cable TV Network Private Limited, (face value of Rs 10 per share) | 31,265 | 5.33 | 31,265 | 5.33 | 31,265 | 5.33 |
| 31 | DEN Supreme Satellite Vision Private Limited, (face value of Rs 10 per share) | 30,452 | 25.56 | 30,452 | 25.56 | 30,452 | 25.56 |
| 32 | Drashti Cable Network Private Limited, (face value of Rs 10 per share) | 27,325 | 23.00 | 27,325 | 23.00 | 27,325 | 23.00 |
| 33 | DEN Fateh Marketing Private Limited, (face value of Rs 10 per share) | 25,500 | 10.23 | 25,500 | 10.23 | 25,500 | 10.23 |
| 34 | DEN Nashik City Cable Network Private Limited, (face value of Rs 10 per share) | 25,500 | 73.59 | 25,500 | 73.59 | 25,500 | 73.59 |
| 35 | Radiant Satellite (India) Private Limited, (face value of Rs 10 per share) | 76,500 | 46.01 | 76,500 | 46.01 | 76,500 | 46.01 |
| 36 | DEN Aman Entertainment Private Limited, (face value of Rs 10 per share) | 30,529 | 4.12 | 30,529 | 4.12 | 30,529 | 4.12 |
| 37 | Den Budaun Cable Network Private Limited, (face value of Rs 10 per share) | 37,113 | 2.00 | 37,113 | 2.00 | 37,113 | 2.00 |
| 38 | Den Malayalam Telenet Private Limited, (face value of Rs 10 per share) | 6,08,265 | 55.34 | 6,08,265 | 55.34 | 6,08,265 | 55.34 |
| 39 | DEN ELGEE CABLE VISION PRIVATE LIMITED, (face value of Rs 10 per share) | 57,252 | 6.38 | 57,252 | 6.38 | 57,252 | 6.38 |
| 40 | DEN RAJKOT CITY COMMUNICATION PRIVATE LIMITED, (Face Value Of Rs 10 Per Share) (Formerly Known As Rajkot City Communication Private Limited) | 5,764 | 100.93 | 5,764 | 100.93 | 5,764 | 100.93 |
| 41 | DEN MALABAR CABLE VISION PRIVATE LIMITED, (face value of Rs 10 per share) | 30,633 | 26.89 | 30,633 | 26.89 | 30,633 | 26.89 |
| 42 | Fortune (Baroda) Network Private Limited, (face value of Rs 10 per share) | 51,000 | 36.46 | 51,000 | 36.46 | 51,000 | 36.46 |
| 43 | Galaxy Den Media & Entertainment Private Limited, (face value of Rs 10 per share) | 25,500 | 43.35 | 25,500 | 43.35 | 25,500 | 43.35 |
| 44 | Bali Den Cable Network Private Limited, (face value of Rs 10 per share) | 27,300 | 50.65 | 27,300 | 50.65 | 27,300 | 50.65 |
| 45 | Den Citi Channel Private Limited, (face value of Rs 10 per share) | 32,941 | 17.13 | 32,941 | 17.13 | 32,941 | 17.13 |
| 46 | Fab Den Network Private Limited, (face value of Rs 10 per share) | 1,08,927 | 49.42 | 1,08,927 | 49.42 | 1,08,927 | 49.42 |
| 47 | Cab-i-Net Communications Private Limited, (face value of Rs 10 per share) | 1,02,039 | 30.04 | 1,02,039 | 30.04 | 1,02,039 | 30.04 |
| 48 | Shri Ram DEN Network Private Limited, (face value of Rs 10 per share) | 45,900 | 31.20 | 45,900 | 31.20 | 45,900 | 31.20 |
| 49 | United Cable Network (Digital) Private Limited, (face value of Rs 10 per share) | 25,500 | 4.60 | 25,500 | 4.60 | 25,500 | 4.60 |
| 50 | Amogh Broad Band Services Private Limited, (face value of Rs 10 per share) | 5,000 | 0.05 | 5,000 | 0.05 | 5,000 | 0.05 |

## NOTES TO THE FINANCIAL STATEMENTS

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 51 | Den Sariga Communication Private Limited, (face value of Rs 10 per share) | 48,939 | 9.77 | 48,939 | 9.77 | 48,939 | 9.77 |
| 52 | Den Sahyog Cable Network Private Limited, (face value of Rs 10 per share) | 25,500 | 1.58 | 25,500 | 1.58 | 25,500 | 1.58 |
| 53 | Den A.F. Communication Private Limited, (face value of Rs 10 per share) | 48,931 | 0.49 | 48,931 | 0.49 | 48,931 | 0.49 |
| 54 | Den Kattakada Telecasting and Cable Services Private Limited, (face value of Rs 10 per share) | 50,775 | 16.41 | 50,775 | 16.41 | 50,775 | 16.41 |
| 55 | Big Den Entertainment Private Limited, (face value of Rs 10 per share) | 30,620 | 12.22 | 30,620 | 12.22 | 30,620 | 12.22 |
| 56 | Sree Gokulam Starnet Communication Private Limited, (face value of Rs 10 per share) | 5,100 | 11.53 | 5,100 | 11.53 | 5,100 | 11.53 |
| 57 | Ambika Den Cable Network Private Limited, (face value of Rs 10 per share) | 32,786 | 1.84 | 32,786 | 1.84 | 32,786 | 1.84 |
| 58 | Den Steel City Cable Network Private Limited, (face value of Rs 10 per share) | 30,682 | 8.62 | 30,682 | 8.62 | 30,682 | 8.62 |
| 59 | Sanmati Den Cable TV Network Private Limited, (face value of Rs 10 per share) | 28,172 | 9.02 | 28,172 | 9.02 | 28,172 | 9.02 |
| 60 | Multi Channel Cable Network Private Limited, (face value of Rs 10 per share) | 28,334 | 9.73 | 28,334 | 9.73 | 28,334 | 9.73 |
| 61 | Victor Cable TV Network Private Limited, (face value of Rs 10 per share) | 3,01,000 | 5.92 | 3,01,000 | 5.92 | 3,01,000 | 5.92 |
| 62 | Gemini Cable Network Private Limited, (face value of Rs 10 per share) | 51,000 | 5.87 | 51,000 | 5.87 | 51,000 | 5.87 |
| 63 | Antique Communications Private Limited, (face value of Rs 10 per share) | 29,147 | 1.79 | 29,147 | 1.79 | 29,147 | 1.79 |
| 64 | Sanmati Entertainment Private Limited, (face value of Rs 10 per share) | 30,721 | 3.01 | 30,721 | 3.01 | 30,721 | 3.01 |
| 65 | VM Magic Entertainment Private Limited, (face value of Rs 10 per share) | 25,500 | 12.53 | 25,500 | 12.53 | 25,500 | 12.53 |
| 66 | Crystal Vision Media Private Limited, (face value of Rs 10 per share) | 25,500 | 149.08 | 25,500 | 149.08 | 25,500 | 149.08 |
| 67 | Multi Star Cable Network Private Limited, (face value of Rs 10 per share) | 34,170 | 1.02 | 34,170 | 1.02 | 34,170 | 1.02 |
| 68 | Disk Cable Network Private Limited, (face value of Rs 10 per share) | 84,551 | 4.26 | 84,551 | 4.26 | 84,551 | 4.26 |
| 69 | Silverline Television Network Private Limited, (face value of Rs 10 per share) | 38,250 | 15.32 | 38,250 | 15.32 | 38,250 | 15.32 |
| 70 | Eminent Cable Network Private Limited, (face value of Rs 10 per share) | 55,348 | 25.46 | 55,348 | 25.46 | 55,348 | 25.46 |
| 71 | Ekta Entertainment Network Private Limited, (face value of Rs 10 per share) | 60,984 | 10.44 | 60,984 | 10.44 | 60,984 | 10.44 |
| 72 | Devine Cable Network Private Limited, (face value of Rs 10 per share) | 27,190 | 1.17 | 27,190 | 1.17 | 27,190 | 1.17 |
| 73 | Nectar Entertainment Private Limited, (face value of Rs 10 per share) | 30,312 | 1.35 | 30,312 | 1.35 | 30,312 | 1.35 |
| 74 | Trident Entertainment Private Limited, (face value of Rs 10 per share) | 25,500 | 2.52 | 25,500 | 2.52 | 25,500 | 2.52 |
| 75 | Adhunik Cable Network Private Limited, (face value of Rs 10 per share) | 25,500 | 1.58 | 25,500 | 1.58 | 25,500 | 1.58 |
| 76 | Glimpse Communications Private Limited, (face value of Rs 10 per share) | 5,100 | 3.34 | 5,100 | 3.34 | 5,100 | 3.34 |

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 77 | Indradhanush Cable Network Private Limited, (face value of Rs 10 per share) | 25,500 | 4.27 | 25,500 | 4.27 | 25,500 | 4.27 |
| 78 | Blossom Entertainment Private Limited, (face value of Rs 10 per share) | 25,500 | 1.55 | 25,500 | 1.55 | 25,500 | 1.55 |
| 79 | Multitrack Cable Network Private Limited, (face value of Rs 10 per share) | 14,256 | 9.88 | 14,256 | 9.88 | 14,256 | 9.88 |
| 80 | Rose Entertainment Private Limited, (face value of Rs 10 per share) | 3,95,250 | 15.15 | 3,95,250 | 15.15 | 3,95,250 | 15.15 |
| 81 | Libra Cable Networks Private Limited, (face value of Rs 10 per share) | 1,49,775 | 25.11 | 1,49,775 | 25.11 | 1,49,775 | 25.11 |
| 82 | Pee Cee Cable Network Private Limited, (face value of Rs 10 per share) | 11,859 | 1.19 | 11,859 | 1.19 | 11,859 | 1.19 |
| 83 | Discovery Digital Cable Network Private Limited, (face value of Rs 10 per share) | 18,687 | 7.70 | 18,687 | 7.70 | 18,687 | 7.70 |
| 84 | Mansion Cable Network Private Limited, (face value of Rs 10 per share) | 33,95,558 | 303.51 | 33,95,558 | 303.51 | 33,95,558 | 303.51 |
| 85 | Jhankar Cable Network Private Limited, (face value of Rs 10 per share) | 1,27,500 | 4.01 | 1,27,500 | 4.01 | 1,27,500 | 4.01 |
| 86 | Den Premium Multilink Cable Network Private Limited, (face value of Rs 10 per share) | 5,100 | 0.05 | 5,100 | 0.05 | 5,100 | 0.05 |
| 87 | Augment Cable Network Private Limited, (face value of Rs 10 per share) | 51,000 | 3.01 | 51,000 | 3.01 | 51,000 | 3.01 |
| 88 | Desire Cable Network Private Limited, (face value of Rs 10 per share) | 72,675 | 7.52 | 72,675 | 7.52 | 72,675 | 7.52 |
| 89 | Marble Cable Network Private Limited, (face value of Rs 10 per share) | 98,410 | 3.51 | 98,410 | 3.51 | 98,410 | 3.51 |
| 90 | DEN BROADBAND PRIVATE LIMITED [formerly SKYNET CABLE NETWORK PRIVATE LIMITED], (face value of Rs 10 per share) | 47,34,485 | 1,477.96 | 8,15,000 | 8.15 | - | - |
| 91 | Macro Commerce Private Limited, (face value of Rs 10 per share) | - | - | 1,31,66,666 | 210.00 | - | - |
| 92 | VBS Digital Distribution Network Private Limited, (face value of Rs 10 per share) | 50,444 | 26.38 | - | - | - | - |
| | **Total aggregate unquoted investments in subsidiaries** | | **4,534.87** | | **3,214.67** | | **2,984.08** |
| | Less : Aggregate amount of impairment in the value of investments in subsidiaries | | 175.72 | | 385.72 | | 175.72 |
| | **Total investments carrying value in subsidiaries** | | **4,359.15** | | **2,828.95** | | **2,808.36** |

**ii. Unquoted investments in preference shares (all fully paid)**

**Instruments at FVTPL**

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 1 | Den Kashi Cable Network Private Limited | 7,50,000 | 31.68 | 7,50,000 | 27.96 | 7,50,000 | 24.68 |
| | (Face value of Rs. 10 each, 3% 12 years non cumulative redeemable shares) | | | | | | |
| 2 | Den Citi Channel Private Limited | 7,07,500 | 7.08 | 7,07,500 | 6.30 | 7,07,500 | 5.60 |
| | (Face value of Rs. 10 each, 13.5% 7 years non cumulative redeemable shares) | | | | | | |

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 3 | Gemini Cable Network Private Limited | 54,00,000 | 37.52 | 54,00,000 | 33.12 | 54,00,000 | 29.25 |
| | (Face value of Rs. 10 each, 13.5% 7 years non cumulative redeemable shares) | | | | | | |
| 4 | Meerut Cable Network Private Limited | 25,00,000 | 17.56 | 25,00,000 | 15.17 | 25,00,000 | 15.56 |
| | (Face value of Rs. 10 each, 13.5% 7 years non cumulative redeemable shares) | | | | | | |
| 5 | Mahavir Den Entertainment Private Limited | 3,00,000 | 2.27 | 3,00,000 | 2.01 | 3,00,000 | 1.78 |
| | (Face value of Rs. 10 each, 5% 5 years non cumulative redeemable shares) | | | | | | |
| 6 | Den Futuristic Cable Networks Private | 84,05,000 | 74.07 | 84,05,000 | 65.38 | 84,05,000 | 57.71 |
| | Limited (Face value of Rs. 10 each, 7.5% 5 years non cumulative redeemable shares) | | | | | | |
| 7 | Mansion Cable Network Private Limited | - | - | 20,00,000 | 15.59 | 46,70,000 | 32.13 |
| | (Face value of Rs. 10 each, 10% 5 years non cumulative redeemable shares) | | | | | | |
| 8 | Srishti Den Networks Private Limited | 3,48,298 | 38.13 | 3,48,298 | 33.82 | 3,48,298 | 30.00 |
| | (Face value of Rs. 10 each, 5% 7 years non cumulative redeemable shares) | | | | | | |
| 9 | Den Ashu Cable Private Limited | 7,41,291 | 10.14 | 7,41,291 | 9.00 | 7,41,291 | 7.98 |
| | (Face value of Rs. 10 each, 5% 7 years non cumulative redeemable shares) | | | | | | |
| 10 | Ekta Entertainment Network Private Limited | 7,22,564 | 7.93 | 7,22,564 | 7.04 | 7,22,564 | 6.24 |
| | (Face value of Rs. 10 each, 5% 7 years non cumulative redee3mable shares) | | | | | | |
| 11 | Fab Den Network Private Limited | 2,29,962 | 2.52 | 2,29,962 | 2.23 | 2,29,962 | 1.98 |
| | (Face value of Rs. 10 each, 5% 7 years non cumulative redeemable shares) | | | | | | |
| | | **2,01,04,615.00** | **228.90** | | **217.62** | | **212.91** |

**ii. Deemed equity**

**Instruments at FVTPL**

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 1 | Den Kashi Cable Network Private Limited | | 15.72 | | 15.72 | | 15.72 |
| 2 | Den Citi Channel Private Limited | | 2.10 | | 2.10 | | 2.10 |
| 3 | Gemini Cable Network Private Limited | | 28.37 | | 28.37 | | 28.37 |
| 4 | Meerut Cable Network Private Limited | | 11.30 | | 11.30 | | 11.30 |
| 5 | Mahavir Den Entertainment Private Limited | | 1.40 | | 1.40 | | 1.40 |
| 6 | Den Futuristic Cable Networks Private Limited | | 33.12 | | 33.12 | | 33.12 |
| 7 | Mansion Cable Network Private Limited | | 18.35 | | 18.35 | | 18.35 |
| 8 | Platinum Cable TV Network Private Limited | | 39.66 | | 39.66 | | 39.66 |
| 9 | Den Ashu Cable Private Limited | | 10.55 | | 10.55 | | 10.55 |
| 10 | Ekta Entertainment Network Private Limited | | 6.81 | | 6.81 | | 6.81 |
| 11 | Fab Den Network Private Limited | | 2.62 | | 2.62 | | 2.62 |
| | | | **170.00** | | **170.00** | | **170.00** |
| | **Total aggregate unquoted investments (A)** | | **4,758.05** | | **3,216.57** | | **3,191.27** |
| | **Aggregate carrying value of unquoted investments** | | 4,758.05 | | 3,216.57 | | 3,191.27 |
| | **Aggregate amount of impairment in value of investments** | | 175.72 | | 385.72 | | 175.72 |

**Notes :**

i. Of the above, 2,644,091 (31 March, 2017 37,843,195 ; as at 1 April, 2016 31,923,370) equity shares having carrying value of Rs. 883.92 million (31 March, 2017 Rs. 3,224.41 million; as at 1 April, 2016 Rs 3,533.30 million) of investments in subsidiaries are pledged with banks against loans taken by the Company (See note 16).

ii. Of the above, Nil (31 March, 2017: 11,257,500; 1 April, 2016: 11,257,500) preference shares having carrying value of Rs. Nil (31 March, 2017: Rs. 107.05 million; 1 April, 2016: Rs. 94.54 million) of investments in subsidiaries are pledged with banks against loans taken by the Company (See note 16).

iii. Of the above, 3,982,440 (31 March, 2017: 15,241,169; as at 1 April, 2016: 9,373,622) equity shares amounting to Rs. 1,310.62 million (31 March, 2017 Rs. 277.43 million; 1 April, 2016 Rs. 452.40 million) of investments in subsidiaries are committed to be pledged with banks against loans taken by the Company.

iv. Of the above, Nil (31 March, 2017: 10,847,115; as at 1 April, 2016: 13,517,115 ) preference shares having carrying value of Rs. Nil (31 March, 2017: Rs. 110.57 million; 1 April, 2016: Rs. 118.37 million) of investments in subsidiaries are committed to be pledged with banks against loans taken by the Company.

**B. Investments in associates**

**i. Unquoted investments in equity shares (all fully paid)**

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 1 | Delhi Sports & Entertainment Private Limited (formerly DEN Sports & Entertainment Private Limited)(face value of Rs 10 per share) | - | - | 2,48,42,229 | 248.42 | 3,54,45,019 | 354.45 |
| 2 | DEN ADN Network Private Limited | 19,38,000 | 20.91 | 19,38,000 | 20.91 | 19,38,000 | 20.91 |
| 3 | CCN DEN Network Private Limited (face value of Rs 10 per share) | 20,40,000 | 20.40 | 20,40,000 | 20.40 | 20,40,000 | 20.40 |
| 4 | Den Satellite Network Private Limited (face value of Rs 10 per share) | 50,295 | 461.58 | 50,295 | 461.58 | 50,295 | 461.58 |
| | **Total aggregate unquoted investments** | | **502.89** | | **751.31** | | **857.34** |
| | **Less : Aggregate amount of impairment in the value of investments in associates** | | - | | 248.42 | | - |
| | **Total investments carrying value (B)** | | **502.89** | | **502.89** | | **857.34** |
| | **Aggregate carrying value of unquoted investments** | | 502.89 | | 502.89 | | 857.34 |
| | **Aggregate amount of impairment in value of investments** | | - | | 248.42 | | - |

**C. Investments in joint venture**

**i. Unquoted Investments in equity shares (all fully paid)**

| | Particulars | Quantity (in number) | As at 31.03.2018 (Rs. in million) | Quantity (in number) | As at 31.03.2017 (Rs. in million) | Quantity (in number) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|---|---|
| 1 | Macro Commerce Private Limited (face value of Rs 10 per share) | - | - | - | - | 54,44,444 | 150.00 |
| | **Total aggregate unquoted investments** | | **-** | | **-** | | **150.00** |
| | **Total investments carrying value (C)** | | **-** | | **-** | | **150.00** |
| | **Aggregate carrying value of unquoted investments** | | - | | - | | 150.00 |
| | **Aggregate amount of impairment in value of investments** | | - | | - | | - |
| | **Grand Total (A+B+C)** | | **5,260.94** | | **3,719.46** | | **4,198.61** |

# NOTES TO THE FINANCIAL STATEMENTS

**5. Finance lease receivables [See note 33 and 36]**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Non-current** | | | | |
| (i) | Finance lease receivables | **-** | **-** | **22.86** |
| **Current** | | | | |
| (i) | Finance lease receivables | - | 155.02 | 405.79 |
| | Less: Allowance for uncollectible finance lease receivables | - | - | (12.70) |
| | **Total** | **-** | **155.02** | **393.09** |

**6. Other financial assets**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Non-current** | | | | |
| (i) | Security deposits | 26.60 | 24.67 | 27.83 |
| (ii) | Advance for investments | 114.87 | 61.19 | 61.24 |
| | | 114.87 | 61.19 | 61.24 |
| | Less: Impairment allowance for advance for investments | - | (54.18) | (54.18) |
| | | 114.87 | 7.01 | 7.06 |
| (iii) | Deposits with banks with more than 12 months remaining maturity* | 125.00 | - | - |
| | **Total** | **266.47** | **31.68** | **34.89** |
| | * Under lien as margin money with banks for term loans of Rs. 125.00 million (31 March, 2017: Rs. Nil; 1 April, 2016: Rs. Nil) | | | |
| **Current** | | | | |
| (i) | Security deposits | 39.34 | 36.80 | 33.16 |
| (ii) | Advances recoverable | | | |
| | - from related parties (See note 36) | 494.33 | 370.51 | 244.46 |
| | - from others | 11.15 | 0.37 | 0.16 |
| (iii) | Unbilled revenue | | | |
| | - from related parties (See note 36) | - | 0.72 | 1.13 |
| | - from others | 44.90 | - | 3.69 |
| (iv) | Interest accrued but not due on fixed deposits | 45.66 | 83.77 | 120.69 |
| (v) | Interest accrued but not due | | | |
| | - from related parties (See note 36) | 151.72 | 111.76 | 104.18 |
| | - from others | - | - | 0.35 |
| (vi) | Receivable on sale of property, plant and equipment | | | |
| | - from related parties (See note 36) | 62.87 | 116.74 | 196.00 |
| | - from others | - | - | 34.76 |
| (vii) | Other receivable from related party (See note 36 and 49) | - | 40.00 | 40.00 |
| | **Total** | **849.97** | **760.67** | **778.58** |

**7. Non current tax assets (net)**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| (i) | Advance tax including TDS recoverable | 757.91 | 1,091.56 | 1,309.69 |
| | Less: Provision for income tax | - | (1.66) | (194.44) |
| | **Total** | **757.91** | **1,089.90** | **1,115.25** |

# NOTES TO THE FINANCIAL STATEMENTS

## 8. Loans

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Current** | | | | |
| (i) | Loans to related parties - Unsecured, considered good | | | |
| | (See note 36) | 396.68 | 1,529.12 | 1,224.00 |
| (ii) | Loans to others - Unsecured | | | |
| | - considered good | - | 100.00 | - |
| | - doubtful | - | 10.00 | - |
| | | 396.68 | 1,639.12 | 1,224.00 |
| | Less: Impairment allowance for loans | - | (10.00) | - |
| | **Total** | **396.68** | **1,629.12** | **1,224.00** |

## 9. Other assets

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Non-current** | | | | |
| (i) | Prepaid expenses | 19.72 | 4.04 | 16.37 |
| (ii) | Deposits against cases with (See note 29) | | | |
| | - Sales tax authority | 73.77 | 95.53 | 71.18 |
| | - Entertainment tax authorities | 114.36 | 114.86 | 105.52 |
| | - Entry tax authority | 12.65 | 14.15 | 24.85 |
| | - Custom duty authority | 89.94 | 89.94 | - |
| | | 290.72 | 314.48 | 201.55 |
| | Less: Impairment allowance | (10.00) | (10.00) | - |
| | | 280.72 | 304.48 | 201.55 |
| (iii) | Balance with government authorities | 13.94 | - | - |
| | | | | |
| (iv) | Capital advances | 23.58 | 106.97 | 108.58 |
| | Less: Impairment allowance for capital advances | - | (62.29) | (62.29) |
| | | 23.58 | 44.68 | 46.29 |
| | **Total** | **337.96** | **353.20** | **264.21** |
| **Current** | | | | |
| (i) | Prepaid expenses | 37.92 | 32.58 | 42.72 |
| (ii) | Balance with government authorities | 100.46 | 165.41 | 457.64 |
| (iii) | Others | | | |
| | - Supplier advances | 54.32 | 89.27 | 75.01 |
| | - Amount recoverable from DNL Employees Welfare Trust | 0.36 | 0.36 | 0.36 |
| | - Other advances | 1.21 | 3.09 | 8.67 |
| | | 55.89 | 92.72 | 84.04 |
| | Less: Impairment allowance for supplier advance | (5.87) | (5.87) | (5.87) |
| | | 50.02 | 86.85 | 78.17 |
| | **Total** | **188.40** | **284.84** | **578.53** |

# NOTES TO THE FINANCIAL STATEMENTS

## 10. Other investments

| | | As at 31.03.2018 | | As at 31.03.2017 | | As at 31.03.2016 | |
|---|---|---|---|---|---|---|---|
| | | No. of Units | (Rs. in million) | No. of Units | (Rs. in million) | No. of Units | (Rs. in million) |
| Investments in mutual funds - Unquoted | | | | | | | |
| **Carried at FVTPL** | | | | | | | |
| i. | Aditya Birla Sun Life Cash Plus - Growth | 3,64,757 | 101.49 | - | - | 14,71,676 | 357.28 |
| ii. | Reliance Liquid Fund - treasury plan- Direct plan growth plan - growth option | 27,351 | 115.97 | 26,737 | 106.07 | - | - |
| iii. | DSP Blackrock Liquidity Fund Regular plan- Growth | 41,014 | 101.47 | 69,096 | 160.72 | - | - |
| iv. | Kotak Floater Short term - Direct plan - Growth | 73,953 | 210.91 | - | - | - | - |
| | **Total aggregate unquoted investments** | **5,07,075** | **529.84** | **95,833** | **266.79** | **14,71,676** | **357.28** |
| | **Aggregate carrying value of unquoted** | | 529.84 | | 266.79 | | 357.28 |
| | **Aggregate amount of impairment in value of investments** | | - | | - | - | |

## 11. Trade receivables

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Current** | | | | |
| (i) | Trade receivables [See notes below] | | | |
| | - Unsecured, considered good | 3,797.00 | 3,166.80 | 3,331.39 |
| | - Doubtful | 1,446.98 | 1,464.71 | 1,430.65 |
| | | 5,243.98 | 4,631.51 | 4,762.04 |
| | Less: Allowance for doubtful debts (expected credit loss allowance) | (1,446.98) | (1,464.71) | (1,430.65) |
| | **Total** | **3,797.00** | **3,166.80** | **3,331.39** |

**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 Company 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%-5% |
| 91 - 180 days | 1%-100% |
| 180 days and above | 50%-100% |

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Age of receivables** | | | |
| 0 - 90 days | 2,173.09 | 1,923.83 | 2,413.04 |
| 91 - 180 days | 1,247.38 | 805.29 | 702.27 |
| 180 days and above | 1,823.51 | 1,902.39 | 1,646.73 |
| | **5,243.98** | **4,631.51** | **4,762.04** |

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

| Particulars | As at 31.03.2018 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|
| Balance as the beginning of the year | (1,464.71) | (1,430.65) |
| Movement in expected credit loss allowance | 17.73 | (34.06) |
| **Balance at the end of the year** | **(1,446.98)** | **(1,464.71)** |

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

**12. Cash and cash equivalents**

| | Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| (i) | Cash in hand | 38.17 | 14.34 | 3.34 |
| (ii) | Cheques on hand | 95.57 | - | 87.37 |
| (iii) | Balance with scheduled banks | | | |
| | - in current accounts | 729.16 | 279.21 | 914.15 |
| | - in deposit accounts | | | |
| | - original maturity of 3 months or less | 35.54 | 150.00 | 278.74 |
| | **Total** | **898.44** | **443.55** | **1,283.60** |

**13. Bank balances other than cash and cash equivalents**

| | Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| (i) | in deposit accounts* | | | |
| | - original maturity more than 3 months | 628.34 | 431.88 | 659.79 |
| (ii) | in earmarked accounts | | | |
| | - Balances held as margin money or security against borrowings, guarantees and other commitments | 1,001.22 | 1,905.70 | 2,542.20 |
| | **Total** | **1,629.56** | **2,337.58** | **3,201.99** |
| * | Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date | - | - | 11.95 |

**14. Equity share capital**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Equity share capital | 1,953.18 | 1,935.68 | 1,777.42 |
| | **1,953.18** | **1,935.68** | **1,777.42** |
| **Authorised share capital:** | | | |
| 200,000,000 (As at 31 March, 2017: 200,000,000, As at 1 April, 2016: 200,000,000 ) equity shares of Rs. 10 each with voting rights | 2,000.00 | 2,000.00 | 2,000.00 |
| **Issued and subscribed capital comprises:** | | | |
| 195,775,845 (As at 31 March, 2017: 194,025,845, As at 1 April, 2016: 178,199,806) equity shares of Rs. 10 each fully paid up with voting rights | 1,957.76 | 1,940.26 | 1,782.00 |
| Less : Amount recoverable from DNL Employees Welfare Trust in respect of 457,931 (As at 31 March, 2017: 457,931, As at 1 April, 2016: 457,931) number of shares issued to Trust @ Rs. 10 per share | 4.58 | 4.58 | 4.58 |
| | **1,953.18** | **1,935.68** | **1,777.42** |

| Fully paid equity shares: | Number of shares | Share capital (Rs. in million) |
|---|---|---|
| **Balance as at 1 April, 2016** | 17,81,99,806 | 1,782.00 |
| Add: Issue of shares (See note 42) | 1,58,26,039 | 158.26 |
| **Balance as at 31 March, 2017** | **19,40,25,845** | **1,940.26** |
| Add: Issue of shares [See note 39] | 17,50,000 | 17.50 |
| **Balance as at 31 March, 2018** | **19,57,75,845** | **1,957.76** |

Of the above:

a. Fully paid equity shares, which have a par value of Rs. 10, carry one vote per share and carry a right to dividends.

b. Details of shares held by each shareholder holding more than 5% shares:

| Name of Shareholder | As at 31.03.2018 | | As at 31.03.2017 | |
|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Fully paid equity shares with voting rights: | | | | |
| Sameer Manchanda | 4,66,54,550 | 23.83% | 4,66,54,550 | 24.05% |
| The Goldman Sachs, Inc. (through affiliates) | 4,75,35,423 | 24.28% | 4,75,35,423 | 24.49% |
| Lucid Systems Private Limited | 1,60,00,000 | 8.17% | 1,60,00,000 | 8.25% |
| Acacia Banyan Partners (directly/ through affiliates) | 1,29,40,300 | 6.61% | 1,29,40,300 | 6.67% |
| Infrastructure Leasing & Financial Services Limited (directly/ through affiliates) | 1,20,63,971 | 6.16% | 1,33,64,861 | 6.89% |

| Name of Shareholder | As at 01.04.2016 | |
|---|---|---|
| | No. of Shares | % Holding |
| **Fully paid equity shares with voting rights:** | | |
| Manchanda | 4,66,54,550 | 26.18% |
| The Goldman Sachs, Inc. (through affiliates) | 3,17,09,384 | 17.79% |
| Lucid Systems Private Limited | 1,60,00,000 | 8.98% |
| Acacia Banyan Partners (directly/ through affiliates) | 1,29,40,300 | 7.26% |
| Infrastructure Leasing & Financial Services Limited (directly/ through affiliates) | 1,33,64,861 | 7.50% |

**c.** The Company has one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is eligible for one vote per share held and dividend as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholder's approval. Dividends are paid in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

## 15. Other equity

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Securities premium account | 16,516.24 | 16,376.90 | 15,127.09 |
| Share options outstanding account | 90.13 | 168.24 | 61.22 |
| General reserve | 202.86 | 202.86 | 202.86 |
| Surplus / (Deficit) in Statement of Profit and Loss | -10,660.52 | -10,353.79 | -8,196.03 |
| | **6,148.71** | **6,394.21** | **7,195.14** |

# NOTES TO THE FINANCIAL STATEMENTS

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| **a. Securities premium account** | | | |
| i. Opening balance [Net of amount recoverable of Rs. 9.16 million (As at 31 March, 2017: Rs. 9.16 million; As at 1 April, 2016: Rs. 9.16 million) from DNL Employees Welfare Trust in respect of 457,931 (As at 31 March, 2017: 457,931, As at 1 April, 2016: 457,931) number of equity shares issued to trust @ Rs. 20 per share] | | 16,376.90 | 15,127.09 |
| ii. Add : Premium on shares issued during the year [See note 39 and 42] | | 139.34 | 1,266.08 |
| iii. Less : Utilised during the year for writing off share issue expenses | | - | -16.27 |
| | (A) | **16,516.24** | **16,376.90** |
| **b. Share options outstanding account** | | | |
| i. Employees stock option outstanding | | 168.24 | 61.22 |
| ii. Add : ESOP compensation expense (net of taxes) | | 61.23 | 107.02 |
| iii. Less : Exercise of stock options | | -139.34 | - |
| | (B) | **90.13** | **168.24** |
| **c. General reserve** | | | |
| i. Opening balance | | 202.86 | 202.86 |
| ii. Add : Addition/(deletion) | | - | - |
| iii. Closing balance | (C) | **202.86** | **202.86** |
| **d. Deficit in Statement of Profit and Loss** | | | |
| i. Opening balance | | -10,353.79 | -8,196.03 |
| ii. Add: Profit / (Loss) for the year | | -309.79 | -2,162.55 |
| iii. Other comprehensive income arising from remeasurement of defined benefit obligation (net of taxes) | | 3.06 | 4.79 |
| iv. Closing balance | (D) | **-10,660.52** | **-10,353.79** |
| | **(A+B+C+D)** | **6,148.71** | **6,394.21** |

**16. Borrowings**

**At amortised cost:**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **a. Term loans (Secured)** | | | |
| i. from banks [See footnote i] | 3,137.09 | 1,097.55 | 917.81 |
| ii. from financial institution [See footnote ii] | - | - | 400.00 |
| iii. from other parties [See footnote iii] | - | 428.16 | 1,042.69 |
| **b. Long-term maturities of finance lease obligations** | - | - | 329.02 |
| (Secured by hypothecation of assets purchased under finance lease agreement and payable in equal monthly installments. Applicable rate of interest is 8.55% to 9% per annum) | | | |
| **c. Other loans** | | | |
| - Vehicle Loans | - | 0.50 | 3.68 |
| (Secured by hypothecation of vehicles and payable in equal monthly installments. The loan is repayable in 1 to 24 installments ending in March, 2018. Applicable rate of interest is 9.71% to 10.96% per annum) | | | |
| - Buyers credit on imports [see footnote iv] | - | 346.98 | 306.99 |
| **d. Unsecured loan [See footnote v]** | - | - | 1.14 |
| | **3,137.09** | **1,873.19** | **3,001.33** |

# NOTES TO THE FINANCIAL STATEMENTS

## 17. Provisions

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Non-current** | | | |
| a. Employee benefits | | | |
| - Gratuity (See note 34) | 55.86 | 51.24 | 48.27 |
| | **55.86** | **51.24** | **48.27** |
| **Current** | | | |
| a. Employee benefits (See note 36) | | | |
| - Compensated absences | 41.46 | 41.30 | 38.69 |
| - Gratuity (See note 34) | 0.94 | 0.79 | 1.10 |
| b. Other provisions | | | |
| - Wealth tax (net of advance tax) | - | - | 0.10 |
| | **42.40** | **42.09** | **39.89** |

## 18. Borrowings

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Secured at amortised cost** | | | |
| a. Loans repayable on demand | | | |
| - from banks [See footnote (i) below] | 1,042.92 | 520.18 | 245.13 |
| b. Buyers credit on imports [See footnote (ii) below] | - | 626.14 | 2,407.44 |
| | **1,042.92** | **1,146.32** | **2,652.57** |

## 19. Trade payables

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Trade payables - Other than acceptances** | | | |
| - total outstanding dues of micro enterprises and small enterprises [See note 47] | - | - | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 4,378.50 | 3,749.12 | 3,157.66 |
| | **4,378.50** | **3,749.12** | **3,157.66** |

**Note:** The normal credit period for these trade payables is generally from 0 to 90 days. No interest is charged by the vendors on overdue payables.

## 20. Other financial liabilities

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Non-current** | | | |
| Security deposits received | 5.23 | 4.99 | 2.69 |
| **Current** | | | |
| a. Current maturities of long term debt [See footnote (i) below] | 1,113.54 | 1,423.12 | 1,820.80 |
| b. Current maturities of finance lease obligations [See footnote (i) below] | - | 399.58 | 581.84 |
| c. Current maturities of other secured loans [See footnote (i) below] - | 2.97 | 3.57 | |
| d. Current maturities of other unsecured loans [See footnote v of note 16] | - | 1.14 | 1.71 |

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| e. Interest accrued | 11.04 | 24.19 | 49.53 |
| f. Others | | | |
| i. Balance consideration payable on investments | 34.31 | 6.70 | 7.30 |
| ii. Payables on purchase of property, plant and equipment | 344.35 | 510.33 | 988.28 |
| iii. Book overdraft | 108.34 | 169.92 | 364.33 |
| iv. Security deposits received | 0.14 | 0.36 | 2.66 |
| | **1,611.72** | **2,538.31** | **3,820.02** |

**Footnote:**

i. See note 16 (Non-current borrowings) for details of security and guarantees

The terms of repayment and security of term loans and other loans are stated below:

**As at 31 March, 2018**

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote i.** | | | | | |
| Term loan from bank | 658.02 | 175.46 | First pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed). Further, secured by pledge of 6 million equity shares of the Company held by the promoter. | Repayable in 19 equal quarterly installments commencing from April, 2018 and ending in October, 2022. | 11% |
| Term loan from bank | 560.57 | 330.72 | First pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed) and pledge of investment in shares of 24 subsidiaries (existing and proposed). | Repayable in 10 equal quarterly installments commencing from April, 2018 and ending in July, 2020. | 10.5% |
| Term loan from bank | 154.61 | 73.31 | First pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed) and pledge of investment in shares of 24 subsidiaries (existing and proposed). | Repayable in 11 equal quarterly installments commencing from June, 2018 and ending in December, 2020. | 9.5% |
| Term loan from bank | 1,313.89 | 136.78 | First pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed) and pledge of investment in shares of 25 subsidiaries (existing and proposed). | Repayable in 16 equal quarterly installments commencing from April, 2018 and ending in January, 2022. | 9.25% |

## NOTES TO THE FINANCIAL STATEMENTS

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| Term loan from bank | 450.00 | 50.00 | First pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed). | Repayable in 16 equal quarterly installments commencing from June, 2018 and ending in March, 2022. | 9.5% |
| **Sub-total (A)** | **3,137.09** | **766.27** | | | |
| **Footnote ii.** | | | | | |
| Term loan from financial institution | - | - | | | |
| **Sub-total (B)** | **-** | **-** | | | |
| **Footnote iii.** | | | | | |
| Term loan from others | - | - | | | |
| **Sub-total (C)** | **-** | **-** | | | |
| **Footnote iv.** | | | | | |
| Buyers credit on imports | - | 347.27 | First pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed). Further secured by pledge over 6 million equity shares of the Company held by the promoter. | Repayable in January, 2019. | 3.20% to 3.40% |
| **Sub-total (D)** | **-** | **347.27** | | | |
| **Total (A+B+C+D)** | **3,137.09** | **1,113.54** | | | |
| **Footnote v.** | | | | | |
| Unsecured loan | - | - | | | |
| **Sub-total (E)** | **-** | **-** | | | |

*The above amounts include adjustment of loan processing fees to determine the amounts under the effective interest rate method.

# NOTES TO THE FINANCIAL STATEMENTS

**As at 31 March, 2017**

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote i.** | | | | | |
| Term loan from bank | - | 76.69 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. | Repayable in 1 quarterly instalment in April, 2017 | 11.75% |
| Term loan from bank | 66.59 | 133.18 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. | Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018. | 12.30% |
| Term loan from bank | 66.02 | 132.04 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. | Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018. | 12.30% |
| Term loan from bank | - | 17.37 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company. | Repayable in 2 quarterly installments from June, 2017 to September, 2017 | 12.30% |
| Term loan from bank | 482.97 | 53.66 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan is further secured by pledged of 5.50 million equity shares of the Company held by the promoter. | Repayable in 20 quarterly installments commencing from December, 2017 and ending in September, 2022. | 11.00% |
| Term loan from bank | 45.55 | 165.98 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. | Repayable in 5 quarterly installments from June, 2017 and ending in June, 2018. | 12.30% |
| Term loan from bank | 436.42 | 229.68 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and first pari passu charge on all current assets of the Company. The loan is further secured by pledge of shares held by the Company in its subsidiaries (upto 30% of share capital of subsidiaries) and pledge of 2.70 million equity shares of the Company held by promoter. | Repayable in 11 quarterly installments from April, 2017 and ending in October, 2019. | 11.50% |
| **Sub-total (A)** | **1,097.55** | **808.60** | | | |
| **Footnote ii.** | | | | | |
| Term loan from financial institution | - | **-** | | | |
| **Sub-total (B)** | **-** | **-** | | | |

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote iii.** | | | | | |
| Term loan from others | 428.16 | 614.52 | This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement. | Repayable in 34 monthly installments from April, 2017 and ending in January, 2020. | 8.55% |
| **Sub-total (C)** | **428.16** | **614.52** | | | |
| **Footnote iv.** | | | | | |
| Buyers credit on imports | 346.98 | - | Secured by first pari passu charge on property, plant and equipment of the Company existing and proposed and second pari passu charge on all current assets of the Company. | Repayable in January, 2019. | 1.21% to 1.94% |
| **Sub-total (D)** | **346.98** | **-** | | | |
| **Total (A+B+C+D)** | **1,872.69** | **1,423.12** | | | |
| **Footnote v.** | | | | | |
| Unsecured loan | - | 1.14 | This unsecured loan outstanding as at the balance sheet date from Cisco Systems Capital India Private Limited is payable in 8 monthly installments from April, 2017 and ending in November, 2017. Applicable rate of interest is 8.55% per annum. | Repayable in November, 2017. | 8.55% |
| **Sub-total (E)** | - | **1.14** | | | |

* The above amounts include adjustment of loan processing fees to determine the amounts under the effective interest rate method.

# NOTES TO THE FINANCIAL STATEMENTS

(Rs. in million)

**As at 1 April, 2016**

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote i.** | | | | | |
| Term loan from bank | 73.21 | 305.58 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. | Repayable in 5 quarterly installments commencing from April, 2016 and ending in April, 2017. | 11.95% |
| Term loan from bank | 397.83 | 257.24 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. | Repayable in 10 quarterly installments commencing from June, 2016 and ending in September, 2018. | 12.50% |
| Term loan from bank | 28.95 | 23.16 | Secured by first pari passu charge on entire property, plant and equipment of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company. | Repayable in 9 quarterly installments commencing from April, 2016 and ending in April, 2018. | 11.80% |
| Term loan from bank | 355.59 | - | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan is further secured by pledged of 5.50 million shares of the Company held by the promoter. | Repayable in 20 quarterly installments commencing from March, 2018 and ending in December, 2022. | 11.20% |
| Term loan from bank | 62.23 | 49.60 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. | Repayable in 8 quarterly installments commencing from June, 2016 and ending in September, 2018. | 12.50% |
| **Sub-total (A)** | **917.81** | **635.58** | | | |
| **Footnote ii.** | | | | | |
| Term loan from financial institution | 400.00 | 400.00 | Secured by first pari passu charge on property, plant and equipment (existing and proposed) and on all current assets of the Company. Further, the loan is secured by pledge of shares held by the Company in its subsidiaries (existing and proposed). | Repayable in 8 quarterly installments commencing from May, 2016 and ending in February, 2018. | 11.15% |
| **Sub-total (B)** | **400.00** | **400.00** | | | |
| **Footnote iii.** | | | | | |

# NOTES TO THE FINANCIAL STATEMENTS

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| Term loan from others | 1,042.69 | 785.22 | This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement. | Repayable in 35 equal monthly installments commencing from April, 2016 and ending in February, 2019. | 8.55% |
| **Sub-total (C)** | **1,042.69** | **785.22** | | | |
| **Footnote iv.** | | | | | |
| Buyers credit on imports | 306.99 | - | Secured by first pari passu charge on property, plant and equipment of the Company existing and proposed and second pari passu charge on all current assets of the Company. | Repayable in January, 2019. | 1.21% |
| **Sub-total (D)** | **306.99** | **-** | | | |
| **Total (A+B+C+D)** | **2,667.49** | **1,820.80** | | | |
| **Footnote v.** | | | | | |
| Unsecured loan | 1.14 | 1.71 | This unsecured loan outstanding as at the balance sheet date from Cisco Systems Capital India Private Limited is payable in 8 monthly installments from April, 2017 and ending in November, 2017. Applicable rate of interest is 8.55% per annum. | Repayable in November, 2017. | 8.55% |
| **Sub-total (E)** | **1.14** | **1.71** | | | |

* The above amounts include adjustment of loan processing fees to determine the amounts under the effective interest rate method.

The terms of repayment and security of loans repayable on demand and buyers credits on imports are stated below:

**As at 31 March, 2018**

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|
| **Footnote i.** | | | | |
| Loans repayable on demand- from bank | 219.22 | First pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed). | Repayable on demand. | 8.75% |
| Loans repayable on demand- from bank | 29.66 | First pari passu charge on current assets of the Company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Company (existing and proposed) and pledge of the investment in shares of 24 specified subsidiaries (present and proposed). | Repayable on demand. | 11.00% |
| Loans repayable on demand- from bank | 400.00 | First pari passu charge on current assets of the Company (existing and proposed). | Repayable on demand. | 9.20% to 9.25% |

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|
| Loans repayable on demand- from bank | 394.04 | Secured by first pari passu charge on current assets of the Company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Company (existing and proposed). | Repayable on demand. | 9.75% to 11.00% |
| **Sub-total (A)** | **1,042.92** | | | |
| **Footnote ii.** | | | | |
| Buyers credit on imports | - | | | |
| **Sub-total (B)** | **-** | | | |
| **Total (A+B)** | **1,042.92** | | | |

**As at 31 March, 2017**

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|
| **Footnote i.** | | | | |
| Loans repayable on demand- from bank | 520.18 | Secured by first pari passu charge on current assets of the Company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Company (existing and proposed). | Repayable on demand. | 10.70% to 11.00% |
| **Footnote ii.** | | | | |
| Buyers credit on imports | 626.14 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed). | Repayable from April, 2017 to November, 2017 | 1.53% to 2.19% |

**As at 31 March, 2017**

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective int erest rate (per annum) |
|---|---|---|---|---|
| **Footnote i.** | | | | |
| Loans repayable on demand- from bank | 245.13 | Secured by first pari passu charge on current assets of the Company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Company (existing and proposed). | Repayable on demand. | 10.70% to 11.00% |
| **Footnote ii.** | | | | |
| Buyers credit on imports | 2,407.44 | Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed). | Repayable from April, 2016 to February, 2017 | 1.02% to 1.64% |

# NOTES TO THE FINANCIAL STATEMENTS

## 21. Other liabilities

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Non-current** | | | |
| a. Deferred revenue | 2,895.79 | 3,162.23 | 2,868.00 |
| | **2,895.79** | **3,162.23** | **2,868.00** |
| **Current** | | | |
| a. Deferred revenue | 846.32 | 964.38 | 842.74 |
| b. Statutory remittances | 201.12 | 149.23 | 353.51 |
| c. Other payables | | | |
| i. Advances from customers | 63.63 | 60.47 | 39.01 |
| ii. Others | - | 34.85 | - |
| | **1,111.07** | **1,208.93** | **1,235.26** |

## 22. Revenue from operations

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Sale of services (see note below) | 10,204.26 | 8,871.58 |
| b. | Sale of equipment | 119.44 | 18.00 |
| c. | Other operating revenue | | |
| | i. Liabilities/ excess provisions written back (net) | 230.33 | 95.23 |
| | ii. Miscellaneous income | 90.44 | 5.11 |
| | **Total** | **10,644.47** | **8,989.92** |
| **Note:** | | | |
| Sale of services comprises: | | | |
| a. | Placement income | 3,043.32 | 3,085.70 |
| b. | Subscription income | 4,174.80 | 3,367.20 |
| c. | Activation income | 954.30 | 650.80 |
| d. | Feeder charges income | 1,616.32 | 1,419.66 |
| e. | Other revenue | 415.52 | 348.22 |
| **Total** | | **10,204.26** | **8,871.58** |

## 23. Other income

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Interest income earned on financial assets that are not designated as at fair value through profit or loss: | | |
| | i. on bank deposits (amortised cost) | 143.82 | 238.89 |
| | ii. on financial assets carried at amortised cost [See note 36] | 45.84 | 45.87 |
| | iii. on sale under finance lease of assets [See note 36] | 0.62 | 10.52 |
| b. | Interest on income tax refund | 27.04 | 75.88 |
| c. | Dividend income | | |
| | i. from current investments in mutual funds | - | 0.05 |
| | ii. from non-current investments in subsidiaries [See note 36] | 48.89 | 1.77 |

| Particulars | | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|---|
| d. | Other gains and losses | | | |
| | i. | Net gain on foreign currency transactions and translation | 17.22 | 42.10 |
| | ii. | Net gain on sale of current investments (other than non trade and unquoted) | 27.06 | 32.38 |
| | iii. | Net gain on sale of non - current investments | 6.40 | - |
| | iv. | Gain on sale of property, plant and equipment | 16.72 | - |
| | v. | Gain on financials assets designated as at FVTPL | 32.03 | 35.33 |
| **Total** | | | **365.64** | **482.79** |

**24. Employee benefits expense**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Salaries and allowances | 542.97 | 582.17 |
| b. | Contribution to provident and other funds [See note 34] | 26.69 | 29.37 |
| c. | Gratuity expense [See note 34] | 13.60 | 12.86 |
| d. | Share-based payments to employees [See note 37] | 61.23 | 107.02 |
| e. | Staff welfare expenses | 26.41 | 28.83 |
| **Total** | | **670.90** | **760.25** |

**25. Finance costs**

| Particulars | | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|---|
| a. | Interest costs | | | |
| | i. | Interest on bank overdraft and loans | 465.26 | 554.24 |
| b. | Other borrowing costs | | 130.75 | 49.68 |
| **Total** | | | **596.01** | **603.92** |

**26. Other expenses**

| Particulars | | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|---|
| a. | Cost of traded items | | 113.90 | 17.39 |
| b. | Distributor commission/ incentive | | 247.83 | 213.96 |
| c. | Rent and hire charges [See note 31] | | 111.67 | 116.11 |
| d. | Repairs and maintenance | | | |
| | i. | Plant and equipment | 44.33 | 49.75 |
| | ii. | Others | 62.07 | 43.04 |
| | e. | Power and fuel | 67.73 | 59.74 |
| | f. | Director's sitting fees | 0.95 | 1.15 |
| | g. | Legal and professional charges* | 124.16 | 108.09 |
| | h. | Expenditure on corporate social responsibility [See note 44] | 1.01 | 0.15 |
| | i. | Contract service charges | 356.26 | 292.73 |
| | j. | Printing and stationery | 3.79 | 3.41 |
| | k. | Travelling and conveyance | 42.39 | 61.85 |
| | l. | Advertisement, publicity and business promotion | 13.34 | 7.58 |

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| m. | Communication expenses | 17.05 | 24.93 |
| n. | Leaseline expenses | 362.28 | 354.72 |
| o. | Security charges | 18.40 | 14.84 |
| p. | Freight and labour charges | 7.63 | 7.86 |
| q. | Insurance | 1.71 | 2.83 |
| r. | Rates and taxes | 52.90 | 82.87 |
| s. | Allowance on trade receivables and advances** | 80.35 | 189.76 |
| t. | Property, plant and equipment/ capital work in progress written off | - | 1.07 |
| u. | Loss on disposal of property, plant and equipment | - | 2.56 |
| v. | Miscellaneous expenses | 39.15 | 42.36 |
| **Total** | | **1,768.90** | **1,698.75** |

* Legal and professional charges includes payment to auditor's (net of indirect tax credit):

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | To statutory auditors of the Parent: | | |
| | For audit | 6.95 | 6.95 |
| | For other services | 3.94 | 3.94 |
| | For reimbursement of expenses | 0.38 | 0.31 |
| | | 11.27 | 11.20 |
| b. | To cost auditors for cost audit of the Parent | 0.05 | 0.05 |
| **Total** | | **11.32** | **11.25** |

** Allowance on trade receivables and advances includes:

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Doubtful trade receivables and advances written off | 126.47 | 288.58 |
| b. | Allowances for trade receivables and advances written back | (126.47) | (288.58) |
| | | - | - |
| c. | Allowance on trade receivables and advances | 80.35 | 189.76 |
| **Total** | | **80.35** | **189.76** |

**27. Exceptional items [See note 43]**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Doubtful trade receivables and advances written off | 140.08 | - |
| b. | Provision for impairment in value of investments in subsidiary companies | - | 210.00 |
| c. | Provision for impairment in value of investments in associate | - | 248.42 |
| d. | Loss on sale of non-current investments | 18.82 | 130.53 |
| e. | Restructuring expenses | - | 43.33 |
| **Total** | | **158.90** | **632.28** |

# NOTES TO THE FINANCIAL STATEMENTS

**28. Income taxes**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| **A** | **Income tax recognised in Statement of Profit and Loss** | | |
| | **(a) Current tax** | | |
| | In respect of current year | - | - |
| | In respect of prior years | 20.14 | - |
| | | 20.14 | - |
| | **(b) Deferred tax [See note 28C ]** | | |
| | In respect of current year | -168.22 | - |
| | | -168.22 | - |
| | **Total tax expense charged/(credited) in Statement of Profit and Loss** | **(148.08)** | **-** |
| | **(c) The income tax expense for the year can be reconciled to the accounting profit as follows:** | | |
| | Profit/(Loss) before tax | -457.87 | -2,162.55 |
| | Income tax expense calculated | -141.48 | -748.42 |
| | Effect of income that is exempt from taxation | -15.11 | -0.61 |
| | Effect of expenses that are not deductible in determining taxable profit | 0.07 | 227.95 |
| | Effect of unused tax losses, timing difference and tax offsets not recognised as deferred tax asset | 104.03 | 521.08 |
| | Effect of timing difference recognised as deferred tax asset relating to previous years | -107.97 | - |
| | Effect on deferred tax balances due to the change in income tax rates | -7.76 | - |
| | | -168.22 | - |
| | Adjustments recognised in the current year in relation to the current tax of prior years | 20.14 | - |
| | **Total tax expense charged/(credited) in Statement of Profit and Loss** | **-148.08** | **-** |
| **B** | **Income tax recognised in other comprehensive income** | | |
| | **(a) Deferred tax [See note 28C ]** | | |
| | Arising on income and expenses recognised in other comprehensive income | | |
| | - Remeasurement of defined obligation | 1.60 | - |
| | **Total tax expense charged/(credited) in other comprehensive income** | **1.60** | **-** |

The tax rate used for the 2017-2018 and 2016-2017 reconciliations above is the corporate tax rate of 30.90 % and 34.61% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

**28 Income taxes (contd.)**

C Movement in deferred tax

(i) Movement of deferred tax for the year ended 31 March, 2018

**(Rs. in million)**

| Particulars | Year ended 31.03.2018 | | | |
|---|---|---|---|---|
| | Opening balance as on 1 April, 2017 | Recognised in profit or loss | Recognised in other comprehen-sive income | Closing balance as on 31 March, 2018 |
| Tax effect of items constituting deferred tax liabilities | | | | |
| Property, plant and equipment and other intangible assets | (77.33) | 252.15 | - | 174.82 |
| | **-77.33** | **252.15** | **-** | **174.82** |
| Tax effect of items constituting deferred tax assets | | | | |
| Provision for employee benefits | 28.36 | 6.04 | (1.60) | 32.80 |
| Share issue expenses | 52.24 | (52.24) | - | - |
| Provision for doubtful debts/advances/impairment | 168.22 | - | - | 168.22 |
| Other items | 37.73 | (37.73) | - | - |
| | **286.55** | **(83.93)** | **(1.60)** | **201.02** |
| **Deferred tax assets (net)** | **209.22** | **168.22** | **(1.60)** | **375.84** |

**(ii) Movement of deferred tax for the year ended 31 March, 2017**

**(Rs. in million)**

| Particulars | Year ended 31.03.2018 | | | |
|---|---|---|---|---|
| | Opening balance as on 1 April, 2017 | Recognised in profit or loss | Recognised in other comprehen-sive income | Closing balance as on 31 March, 2018 |
| Tax effect of items constituting deferred tax liabilities | | | | |
| Property, plant and equipment and other intangible assets | (77.33) | - | - | (77.33) |
| | **-77.33** | **-** | **-** | **-77.33** |
| Tax effect of items constituting deferred tax assets | | | | |
| Provision for employee benefits | 28.36 | - | - | 28.36 |
| Share issue expenses | 52.24 | - | - | 52.24 |
| Allowance on trade receivables, advances and impairment | 168.22 | - | - | 168.22 |
| Other items | 37.73 | - | - | 37.73 |
| | **286.55** | **-** | **-** | **286.55** |
| **Deferred tax assets (net)** | **209.22** | **-** | **-** | **209.22** |

**28. Income taxes (contd.)**

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

**(Rs. in million)**

| Particulars | | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|---|
| 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) | 259.30 | 259.30 | 169.14 |
| - | unabsorbed depreciation (revenue in nature) | 2,739.75 | 2,422.75 | 1,825.34 |
| - | deductible temporary differences | | | |
| i. | Property, plant and equipment and other intangible assets | - | 567.86 | 41.04 |
| ii. | Provision for employee benefits | - | 93.33 | 88.06 |
| iii. | Allowance on trade receivables, advances and impairment | 1,462.85 | 1,058.69 | 1,193.05 |
| iv. | Deferred revenue | 3,742.11 | 4,126.61 | 3,710.74 |
| v. | Share issue expenses | - | 4.50 | - |
| | | **8,204.01** | **8,533.04** | **7,027.37** |

**Note:**

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

**(Rs. in million)**

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| Deferred tax assets with no expiry date | 7,944.71 | 8,273.74 | 6,858.23 |
| Deferred tax assets with expiry date* | 259.30 | 259.30 | 169.14 |
| | **8,204.01** | **8,533.04** | **7,027.37** |

* These would expire between financial year ended 31 March, 2024 and 31 March, 2026.

# NOTES TO THE FINANCIAL STATEMENTS

**29. Commitments and contingent liabilities**

**(Rs. in million)**

| Particulars | | | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|---|---|
| **a.** | **Commitments** | | | | |
| | (i) | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 42.68 | 492.22 | 701.12 |
| **b.** | **Contingent liabilities** | | | | |
| | **i)** | **Claims against the Company not acknowledged as debts*** | | | |
| | | Demand raised by UP Commercial Tax authorities for payment of VAT/GST on transfer of set top boxes | 573.14 | 507.39 | 221.44 |
| | | Demand raised by Delhi Entertainment Tax authorities for payment of entertainment tax | - | - | 1,160.94 |
| | | Demand raised by UP Entertainment Tax authorities for payment of entertainment tax | 73.81 | 65.96 | 58.35 |
| | | Demand raised by Madhya Pradesh Entertainment Tax authorities for payment of entertainment tax | 3.65 | 3.65 | 3.65 |
| | | Demand raised by Rajasthan Entry Tax authorities for payment of entry tax | 36.62 | 80.23 | 25.30 |
| | | Demand raised by Bihar Commercial Tax authorities for payment of VAT on transfer of set top boxes | - | 129.08 | 112.61 |
| | | Demand raised by Bihar Commercial Tax authorities for payment of entertainment tax | 25.95 | 4.64 | - |
| | | Demand raised by Karnataka Commercial Tax authorities for payment of VAT on transfer of set top boxes | 263.43 | 196.57 | 77.99 |
| | | Demand raised by Kerala Commercial Tax authorities for payment of VAT on transfer of set top boxes | 280.49 | 227.11 | 56.84 |
| | | Demand raised by Delhi Commercial Tax authorities for payment of VAT on activation charge | 6.86 | 1.60 | 1.54 |
| | | Demand raised by Haryana Commercial Tax authorities for payment of VAT on activation charge | 1.08 | 1.08 | - |
| | | Demand raised by Custom Directorate of Revenue Intelligence | 238.99 | 220.08 | - |
| | | Demand raised by service tax authorities | 4.34 | - | - |
| | | Demand raised by West Bengal Commercial Tax authorities for payment of VAT | 3.99 | - | - |
| **ii)** | | **Guarantees** | | | |
| | | Bank guarantees | - | 50.00 | 40.00 |
| | | Corporate guarantee issued by the Company** | - | 250.00 | 250.00 |
| **iii)** | | **Other money for which the Company is contingently liable** | | | |
| | | Outstanding letter of credits | 18.02 | - | - |

* The Company has paid advance towards the above claims aggregating to Rs. 290.72 million (31 March, 2017: Rs. 314.48 million; 1 April, 2016: Rs. 201.55 million).

** Against this corporate guarantee, the obligation outstanding as on 31 March, 2018 is Rs. Nil (As at 31 March, 2017: Rs. 74.75 million, As at 1 April, 2016: Rs. 121.33 million).

**30. Segment information**

I. The Company is engaged mainly in the business of "distribution and promotion of television channels". The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Ind AS 108- 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standard) Rules, 2015. Also see note 49.

**II. Geographical information**

a. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers in stated below:

| Geography | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| India | 10,644.47 | 8,989.92 |
| Outside India | - | - |
| | **10,644.47** | **8,989.92** |

**b. Information regarding geographical non-current assets* is as follows:**

| Geography | As at 31.03.2018 Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| India | 7,431.42 | 8,011.68 | 9,068.95 |
| Outside India | - | - | - |
| | **7,431.42** | **8,011.68** | **9,068.95** |

* Non-current assets exclude other financial assets, non-current tax assets (net) and deferred tax assets (net).

**c. Information about major customers:**

No single customer contributed 10% or more to the Company's revenue during the years ended 31 March, 2018 and 31 March, 2017.

**31. Operating Lease**

The Company has taken office premises and accommodation for its employee under cancellable operating lease agreements. The lease rental expenses recognised in the Statement of Profit and Loss:

**(Rs. in million)**

| Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|
| Payments recognised as an expense | 111.67 | 116.11 |
| **Total** | **111.67** | **116.11** |

**32. Finance lease as lessee**

The Company has entered into finance lease arrangements for certain equipment which provide the Company an option to purchase the assets at the end of the lease period. The average lease term is 3 years.

**(Rs. in million)**

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| **Future minimum lease payments:** | | | |
| (i) Not later than one year | - | 399.58 | 569.13 |
| (ii) Later than one year and not later than five years | - | - | 414.06 |
| (iii) Later than five years | - | - | - |
| | **-** | **399.58** | **983.19** |
| Less : Future finance charges | - | - | 72.33 |
| | **-** | **399.58** | **910.86** |
| **Present value of minimum lease payments payable:** | | | |
| (i) Not later than one year | - | 399.58 | 581.84 |
| (ii) Later than one year and not later than five years | - | - | 329.02 |
| (iii) Later than five years | - | - | - |
| | **-** | **399.58** | **910.86** |
| **Included in the financial statements as:** | | | |
| (i) Current maturities of finance lease obligations [See note 20] | - | 399.58 | 581.84 |
| (ii) Non-current borrowings [See note 16] | - | - | 329.02 |

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging Nil (at 31 March, 2017 - 8.55% to 9% per annum; at 1 April, 2016 - 8.55% to 9% per annum).

33. Finance lease as lessor

The Company has entered into finance lease arrangements for certain of its equipment which provide the Company an option to sell the assets at the end of the lease period. Future minimum lease payment and reconciliation of gross investment in the lease and present value of minimum lease payments.

(Rs. in million)

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| Future minimum lease payments: | | | |
| (i) Not later than one year | - | 155.02 | 404.97 |
| (ii) Later than one year and not later than five years | - | - | 23.68 |
| (iii) Later than five years | - | - | - |
| | **-** | **155.02** | **428.65** |
| Less : Unearned finance income | - | - | 12.70 |
| | **-** | **155.02** | **415.95** |

(Rs. in million)

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| Present value of minimum lease payments receivable: | | | |
| (i) Not later than one year | - | 155.02 | 393.09 |
| (ii) Later than one year and not later than five years | - | - | 22.86 |
| (iii) Later than five years | - | - | - |
| | **-** | **155.02** | **415.95** |
| Included in the financial statements as: | | | |
| (i) Current [See note 5] | - | 155.02 | 393.09 |
| (ii) Non Current [See note 5] | - | - | 22.86 |

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at Rs. Nil (at 31 March, 2017 - Rs. Nil at 1 April, 2016 - Rs. Nil).

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average effective interest rate contracted is approximately Nil (at 31 March, 2017 - 9% per annum, at 1 April, 2016 - 9% to 13% per annum)

**34. Employee benefit plans**

**(i) Defined contribution plans**

The Company operates defined contribution retirement benefit plans for all its qualifying employees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

The total expense recognised in profit or loss of Rs. 25.61 million (for the year ended 31 March, 2017: Rs. 28.91 million) for provident fund contributions and Rs. 1.08 million (for the year ended 31 March, 2017: Rs. 0.46 million) for Employee State Insurance Scheme contributions represents contributions payable to these plans by the Company at rates specified in the rules of the plans. As at 31 March, 2018, contributions of Rs. 5.08 million (as at 31 March, 2017: Rs. 5.45 million, as at 1 April, 2016: Rs. 6.52 million) due in respect of 2017-2018 (2016-2017) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

**(ii) Defined benefit plans**

**Gratuity plan**

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 2 million (previous year Rs. 1 million) Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

The gratuity plan typically exposes the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

| | |
|---|---|
| Interest risk | A decrease in the bond interest rate will increase the plan liability. |
| Longevity risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability |
| Salary risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

No other post-retirement benefits are provided to these employees

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at 31 March, 2018 by Charan Gupta Consultants Private Limited, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

a) The principal assumptions used for the purposes of the actuarial valuations were as follows.

| Particulars | Valuations as at | | |
|---|---|---|---|
| | 31.03.2018 | 31.03.2017 | 01.04.2016 |
| Discount rate(s) | 7.71% | 7.54% | 8.00% |
| Expected rate(s) of salary increase | 8.00% | 8.00% | 8.00% |
| Average longevity at retirement age for current beneficiaries of the plan (years) | 16.01 | 16.40 | 17.34 |
| Average longevity at retirement age for current employees (future | 19.64 | 20.18 | 21.96 |
| beneficiaries of the plan) (years) | | | |
| Retirement age (years) | 58 | 58 | 58 |
| Mortality Table | IALM (2006 08) | IALM (2006 08) | IALM (2006 08) |
| Withdrawal Rates | In % | In % | In % |
| Upto 30 years | 3.00 | 3.00 | 3.00 |
| From 31 years to 44 years | 2.00 | 2.00 | 2.00 |
| Above 44 years | 1.00 | 1.00 | 1.00 |

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Company's standalone Ind AS financial statements as at 31 March, 2018:

b)Amounts recognised in Statement of Profit and Loss in respect of these defined benefit plans are as follows:

**(Rs. in million)**

| Particulars | Year ended | |
|---|---|---|
| | 31.03.2018 | 31.03.2017 |
| Service cost | | |
| - Current service cost | 8.21 | 8.91 |
| - Past service cost and (gain)/loss from settlements | 1.46 | - |
| Net interest expense | 3.92 | 3.95 |
| **Components of defined benefit costs recognised in profit or loss** | **13.59** | **12.86** |
| Remeasurement on the net defined benefit liability | | |
| - Actuarial (gains) / losses arising from changes in demographic assumptions | - | - |
| - Actuarial (gains) / losses arising from changes in financial assumptions | (1.11) | 2.63 |
| - Actuarial (gains) / losses arising from experience adjustments | (3.55) | (7.42) |
| **Components of defined benefit costs recognised in other comprehensive income** | **(4.66)** | **(4.79)** |
| **Total** | **8.93** | **8.07** |

The current service cost and the net interest expense for the year are included in the employee benefits expense line item in the Statement of Profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

**c) The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.**

**(Rs. in million)**

| Particulars | As at | | |
|---|---|---|---|
| | 31.03.2018 | 31.03.2017 | 01.04.2016 |
| Present value of funded defined benefit obligation | 56.80 | 52.03 | 49.37 |
| Fair value of plan assets | - | - | - |
| **Net liability arising from defined benefit obligation** | **56.80** | **52.03** | **49.37** |
| - Current portion of the above | 0.94 | 0.79 | 1.10 |
| - Non current portion of the above | 55.86 | 51.24 | 48.27 |

**d) Movements in the present value of the defined benefit obligation are as follows:**

**(Rs. in million)**

| Particulars | Year ended | |
|---|---|---|
| | 31.03.2018 | 31.03.2017 |
| Opening defined benefit obligation | 52.03 | 49.37 |
| Current service cost | 8.21 | 8.91 |
| Interest cost | 3.92 | 3.95 |
| Remeasurement (gains)/losses: | | |
| - Actuarial gains and losses arising from experience adjustments | (1.11) | 2.63 |
| - Actuarial (gains) / losses arising from experience adjustments | (3.55) | (7.42) |
| Past service cost, including losses/(gains) on curtailments | 1.46 | - |
| Benefits paid | (4.16) | (5.41) |
| **Closing defined benefit obligation** | **56.80** | **52.03** |

e) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

i) If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by Rs. 3.11 million (increase by Rs. 3.38 million) [as at 31 March, 2017: decrease by Rs. 2.9 million (increase by Rs. 3.11 million)] [as at 1 April, 2016: decrease by Rs. 3.32 million (increase by Rs. 3.34 million)].

ii) If the expected salary growth increases (decreases) by 0.50%, the defined benefit obligation would increase by Rs. 3.04 million (decrease by Rs. 2.85 million) [as at 31 March, 2017: increase by Rs. 3.08 million (decrease by Rs. 2.90 million)] [as at 1 April, 2016: increase by Rs. 3.37 million (decrease by Rs. 3.43 million)].

"The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

f) The average duration of the benefit obligation represents average duration for active members at 31 March, 2018: 16.01 years (as at 31 March, 2017: 16.40 years; as at 1 April, 2016: 17.34 years).

g) The Company expects to make a contribution of Rs. 13.20 million (as at 31 March, 2017: Rs. 13.70 million; as at 1 April, 2016: Rs. 19.28 million) to the defined benefit plans during the next financial year.

h) The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

i) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

j) The gratuity plan is unfunded.

k) Experience on actuarial gain/(loss) for benefit obligations :

(Rs. in million)

| Particulars | Gratuity | | | | |
|---|---|---|---|---|---|
| | Year ended 31.03.2018 | Year ended 31.03.2017 | Year ended 01.04.2016 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Present value of DBO | 56.80 | 52.03 | 49.37 | 42.66 | 35.50 |
| Funded status [Surplus / (Deficit)] | (56.80) | (52.03) | (49.37) | (42.66) | (35.50) |
| Experience gain / (loss) adjustments on plan liabilities | 4.66 | 4.79 | (0.88) | 0.91 | (0.28) |

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

| Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|
| (i) Basic (in Rs.) | (1.59) | (11.70) |
| (ii) Diluted* (in Rs.) | (1.59) | (11.70) |
| **(i) Basic earnings per share** | | |
| The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows: | **Year ended 31.03.2018** | **Year ended 31.03.2017** |
| (i) Profit/(Loss) for the year attributable to shareholders of the Company (Rs. in million) | (309.79) | (2,162.55) |
| (ii) Profit/(Loss) used in the calculation of basic earnings per share (Rs. in million) | (309.79) | (2,162.55) |
| (iii) Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each) | 19,47,25,448 | 18,52,23,966 |
| **(ii) Diluted earnings per share** | | |
| The earnings used in the calculation of diluted earnings per share are as follows: | **Year ended 31.03.2018** | **Year ended 31.03.2017** |
| (i) Profit/(Loss) used in the calculation of diluted earnings per share (Rs. in million) | (309.79) | (2,162.55) |
| (ii) Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each) | 19,47,25,448 | 18,52,23,966 |
| (iii) Shares deemed to be issued for no consideration in respect of: - employee options | - | - |
| (iv) Weighted average number of equity shares used in the calculation of diluted earnings per share (ii+iii) | 19,47,25,448 | 18,52,23,966 |

* There are no potential dilutive equity shares.

**36. Related Party Disclosures**

**I. List of related parties**

**a. Related parties where control exists**

**i. Subsidiaries held directly**

1 Den Mahendra Satellite Private Limited
2 Den Mod Max Cable Network Private Limited
3 DEN Krishna Cable TV Network Private Limited
4 DEN Pawan Cable Network Private Limited
5 DEN BCN Suncity Network Private Limited
6 DEN Harsh Mann Cable Network Private Limited
7 Den Classic Cable TV Services Private Limited
8 Den Bindra Network Private Limited
9 Den Ashu Cable Private Limited
10 Shree Siddhivinayak Cable Network Private Limited
11 Drashti Cable Network Private Limited
12 Den MCN Cable Network Private Limited
13 Mahadev Den Cable Network Private Limited
14 DEN Patel Entertainment Network Private Limited
15 Den Digital Cable Network Private Limited
16 DEN Malayalam Telenet Private Limited
17 Den-Manoranjan Satellite Private Limited
18 Den Supreme Satellite Vision Private Limited

19 Den Nashik City Cable Network Private Limited
20 Radiant Satellite (India) Private Limited
21 Den Radiant Satelite Cable Network Private Limited
22 Den Prince Network Private Limited
23 DEN Varun Cable Network Private Limited
24 DEN Crystal Vision Network Private Limited
25 Meerut Cable Network Private Limited
26 Den Jai Ambey Vision Cable Private Limited
27 Den Fateh Marketing Private Limited
28 Den Enjoy Cable Networks Private Limited
29 Den Maa Sharda Vision Cable Networks Private Limited
30 Den F K Cable TV Network Private Limited
31 Den Pradeep Cable Network Private Limited
32 Den Satellite Cable TV Network Private Limited
33 DEN Ambey Cable Networks Private Limited
34 Den Budaun Cable Network Private Limited
35 Den Aman Entertainment Private Limited
36 Den Kashi Cable Network Private Limited
37 Den Futuristic Cable Networks Private Limited
38 Den Rajkot City Communication Private Limited
39 Den Elgee Cable Vision Private Limited
40 Den Malabar Cable Vision Private Limited
41 Amogh Broad Band Services Private Limited
42 Galaxy Den Media & Entertainment Private Limited
43 Bali Den Cable Network Private Limited
44 Mahavir Den Entertainment Private Limited
45 Den Citi Channel Private Limited
46 Fab Den Network Private Limited
47 Fortune (Baroda) Network Private Limited
48 United Cable Network (Digital) Private Limited
49 Shri Ram Den Network Private Limited
50 Cab-i-Net Communications Private Limited
51 Den Sahyog Cable Network Private Limited
52 Den Sariga Communications Private Limited
53 Den Kattakada Telecasting and Cable Services Private Limited
54 Den A.F. Communication Private Limited
55 Sree Gokulam Starnet Communication Private Limited
56 Big Den Entertainment Private Limited
57 Ambika DEN Cable Network Private Limited
58 Den Steel City Cable Network Private Limited
59 Crystal Vision Media Private Limited
60 Victor Cable Tv Network Private Limited
61 Sanmati DEN Cable TV Network Private Limited
62 Multi Channel Cable Network Private Limited
63 Gemini Cable Network Private Limited
64 Multi Star Cable Network Private Limited
65 DEN VM Magic Entertainment Private Limited
66 Antique Communications Private Limited
67 Sanmati Entertainment Private Limited
68 Disk Cable Network Private Limited
69 Silverline Television Network Private Limited
70 Ekta Entertainment Network Private Limited
71 Libra Cable Network Private Limited
72 Devine Cable Network Private Limited
73 Nectar Entertainment Private Limited
74 Pee Cee Cable Network Private Limited
75 Multitrack Cable Network Private Limited
76 Glimpse Communications Private Limited
77 Indradhanush Cable Network Private Limited
78 Adhunik Cable Network Private Limited

79 Blossom Entertainment Private Limited
80 Rose Entertainment Private Limited
81 Trident Entertainment Private Limited
82 Eminent Cable Network Private Limited
83 Mansion Cable Network Private Limited
84 Den Discovery Digital Network Private Limited
85 Jhankar Cable Network Private Limited
86 Den Premium Multilink Cable Network Private Limited
87 Desire Cable Network Private Limited
88 Marble Cable Network Private Limited
89 Augment Cable Network Private Limited
90 Macro Commerce Private Limited (Upto 5 June, 2017 and previously Joint venture upto 15 July, 2016)
91 DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED)
92 VBS Digital Distribution Network Private Limited (w.e.f 5 January , 2018)

**ii. Subsidiaries held indirectly**

1 Den Saya Channel Network Private Limited
2 Den Ambey Citi Cable Network Private Limited
3 Den Enjoy Navaratan Network Private Limited
4 Den Ambey Jhansi Cable Network Private Limited
5 Den Deva Cable Network Private Limited
6 Den Faction Communication System Private Limited
7 Den Ambey Farukabad Cable Network Private Limited
8 Star Channel Den Network Private Limited
9 Kishna DEN Cable Networks Private Limited
10 Divya Drishti Den Cable Network Private Limited
11 Fun Cable Network Private Limited
12 Saturn Digital Cable Private Limited
13 DEN Enjoy SBNM Cable Network Private Limited
14 Bhadohi DEN Entertainment Private Limited
15 DEN STN Television Network Private Limited
16 Srishti DEN Networks Private Limited
17 Maitri Cable Network Private Limited
18 Melody Cable Network Private Limited
19 Mountain Cable Network Private Limited
20 Portrait Cable Network Private Limited
21 DEN Prayag Cable Networks Private Limited
22 Angel Cable Network Private Limited
23 ABC Cable Network Private Limited
24 DEN MTN Star Vision Networks Private Limited

**b. Joint venture**

1 Macro Commerce Private Limited (upto 15 July, 2016)

**c. Associate entities**

1 DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) (upto 27 September, 2017)
2 DEN ADN Network Private Limited
3 CCN DEN Network Private Limited
4 Den Satellite Network Private Limited

**d. Entities in which KMP can exercise significant influence**

1 Lucid Systems Private Limited
2 Verve Engineering Private Limited

**e. Key managerial personnel**

1 Mr. Sameer Manchanda (Chairman and Managing Director)
2 Mr. S.N Sharma (Chief Executive Officer)

**f. Other related party- employees welfare trust**

1 DNL Employees Welfare Trust

# NOTES TO THE FINANCIAL STATEMENTS

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

(Figures in bracket relates to previous year)
(Rs. in million)

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| **A.** | **Transactions during the year** | | | | | | | | |
| **i.** | **Sale of services** | | | | | | | | |
| | Den Satellite Network Private Limited | - | - | - | 265.44 | - | - | - | 265.44 |
| | | (-) | (-) | (-) | (275.78) | (-) | (-) | (-) | (275.78) |
| | DEN Ambey Cable Networks Private Limited | 216.44 | - | 216.44 | - | - | - | - | 216.44 |
| | | (225.86) | (-) | (225.86) | (-) | (-) | (-) | (-) | (225.86) |
| | Den Enjoy Cable Networks Private Limited | 215.49 | - | 215.49 | - | - | - | - | 215.49 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | - |
| | Others | 830.88 | 55.32 | 886.20 | 69.94 | - | - | - | 956.14 |
| | | (1,262.41) | (196.19) | (1,458.60) | (52.16) | (-) | (-) | (-) | (1,510.76) |
| | **Total** | **1,262.81** | **55.32** | **1,318.13** | **335.38** | **-** | **-** | **-** | **1,653.51** |
| | | **(1,488.27)** | **(196.19)** | **(1,684.46)** | **(327.94)** | **(-)** | **(-)** | **(-)** | **(2,012.40)** |
| **ii.** | **Sale of equipment** | | | | | | | | |
| | DEN Ambey Cable Networks Private Limited | 15.26 | - | 15.26 | - | - | - | - | 15.26 |
| | | (3.89) | (-) | (3.89) | (-) | (-) | (-) | (-) | (3.89) |
| | Den Enjoy Cable Networks Private Limited | 11.63 | - | 11.63 | - | - | - | - | 11.63 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Eminent Cable Network Private Limited | 4.21 | - | 4.21 | - | - | - | - | 4.21 |
| | | (1.21) | (-) | (1.21) | (-) | (-) | (-) | (-) | (1.21) |
| | Den Premium Multilink Cable Network Private Limited | 8.40 | - | 8.40 | - | - | - | - | 8.40 |
| | | (6.16) | (-) | (6.16) | (-) | (-) | (-) | (-) | (6.16) |
| | Den-Manoranjan Satellite Private Limited | 7.95 | - | 7.95 | - | - | - | - | 7.95 |
| | | (3.08) | (-) | (3.08) | (-) | (-) | (-) | (-) | (3.08) |
| | Others | 18.06 | 6.18 | 24.24 | 7.24 | - | - | - | 31.48 |
| | | (1.05) | (2.61) | (3.66) | (-) | (-) | (-) | (-) | (3.66) |
| | **Total** | **65.51** | **6.18** | **71.69** | **7.24** | **-** | **-** | **-** | **78.93** |
| | | **(15.39)** | **(2.61)** | **(18.00)** | **(-)** | **(-)** | **(-)** | **(-)** | **(18.00)** |
| **iii.** | **Other operating revenue** | | | | | | | | |
| a. | Liabilities/ excess provisions written back (net) | | | | | | | | |
| | Den Futuristic Cable Networks Private Limited | 0.42 | - | 0.42 | - | - | - | - | 0.42 |
| | | (0.50) | (-) | (0.50) | (-) | (-) | (-) | (-) | (0.50) |
| | DEN Ambey Cable Networks Private Limited | 16.31 | - | 16.31 | - | - | - | - | 16.31 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | DEN Prayag Cable Networks Private Limited | - | 9.73 | 9.73 | - | - | - | - | 9.73 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Desire Cable Network Private Limited | - | - | - | - | - | - | - | - |
| | | (1.79) | (-) | (1.79) | (-) | (-) | (-) | (-) | (1.79) |
| | Others | 3.17 | 0.18 | 3.35 | - | - | - | - | 3.35 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | **Total** | **19.90** | **9.91** | **29.81** | **-** | **-** | **-** | **-** | **29.81** |
| | | **(2.29)** | **(-)** | **(2.29)** | **(-)** | **(-)** | **(-)** | **(-)** | **(2.29)** |
| **iv.** | **Other income** | | | | | | | | |
| **a.** | **Interest income on financial assets carried at amortised cost** | | | | | | | | |
| | Den Futuristic Cable Networks Private Limited | 37.39 | - | 37.39 | - | - | - | - | 37.39 |
| | | (37.80) | (-) | (37.80) | (-) | (-) | (-) | (-) | (37.80) |
| | Others | 6.65 | 1.80 | 8.45 | - | - | - | - | 8.45 |
| | | (5.15) | (1.97) | (7.12) | (0.95) | (-) | (-) | (-) | (8.07) |
| | **Total** | **44.04** | **1.80** | **45.84** | **-** | **-** | **-** | **-** | **45.84** |
| | | **(42.95)** | **(1.97)** | **(44.92)** | **(0.95)** | **(-)** | **(-)** | **(-)** | **(45.87)** |
| **b.** | **Interest income on sale under finance lease of assets** | | | | | | | | |
| | Den Rajkot City Communication Private Limited | 0.00 | - | 0.00 | - | - | - | - | 0.00 |
| | | (0.97) | (-) | (0.97) | (-) | (-) | (-) | (-) | (0.97) |
| | Eminent Cable Network Private Limited | 0.17 | - | 0.17 | - | - | - | - | 0.17 |
| | | (2.20) | (-) | (2.20) | (-) | (-) | (-) | (-) | (2.20) |
| | Den-Manoranjan Satellite Private Limited | 0.25 | - | 0.25 | - | - | - | - | 0.25 |

# NOTES TO THE FINANCIAL STATEMENTS

| | Particulars | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| | | (1.32) | (-) | (1.32) | (-) | (-) | (-) | (-) | (1.32) |
| | DEN Ambey Cable Networks Private Limited | - | - | - | - | - | - | - | - |
| | | (1.49) | (-) | (1.49) | (-) | (-) | (-) | (-) | (1.49) |
| | Den Discovery Digital Networks Private Limited | 0.02 | - | 0.02 | - | - | - | - | 0.02 |
| | | (2.02) | (-) | (2.02) | (-) | (-) | (-) | (-) | (2.02) |
| | Den Enjoy Cable Networks Private Limited | - | - | - | - | - | - | - | - |
| | | (1.50) | (-) | (1.50) | (-) | (-) | (-) | (-) | (1.50) |
| | Mahavir Den Entertainment Private Limited | 0.18 | - | 0.18 | - | - | - | - | 0.18 |
| | | (1.02) | (-) | (1.02) | (-) | (-) | (-) | (-) | (1.02) |
| | Others | (0.00) | - | (0.00) | - | - | - | - | (0.00) |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | **Total** | **0.62** | **-** | **0.62** | **-** | **-** | **-** | **-** | **0.62** |
| | | **(10.52)** | **(-)** | **(10.52)** | **(-)** | **(-)** | **(-)** | **(-)** | **(10.52)** |
| **c.** | **Dividend income** | | | | | | | | |
| | Mansion Cable Network Private Limited | 40.75 | - | 40.75 | - | - | - | - | 40.75 |
| | | (1.77) | (-) | (1.77) | (-) | (-) | (-) | (-) | (1.77) |
| | Den F K Cable TV Network Private Limited | 8.14 | - | 8.14 | - | - | - | - | 8.14 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | **Total** | **48.89** | **-** | **48.89** | **-** | **-** | **-** | **-** | **48.89** |
| | | **(1.77)** | **(-)** | **(1.77)** | **(-)** | **(-)** | **(-)** | **(-)** | **(1.77)** |
| **v.** | **Compensation of Key Managerial Personnel** | | | | | | | | |
| | **The remuneration of key managerial personnel during the year was as follows:** | | | | | | | | |
| | -Short-term employee benefits | - | - | - | - | - | - | 98.22 | 98.22 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (48.55) | (48.55) |
| | -Post-employment benefits | - | - | - | - | - | - | 5.56 | 5.56 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (5.32) | (5.32) |
| | -Share-based payments to employees | - | - | - | - | - | - | 53.00 | 53.00 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (87.30) | (87.30) |
| | | **-** | **-** | **-** | **-** | **-** | **-** | **156.78** | **156.78** |
| | | **(-)** | **(-)** | **(-)** | **(-)** | **(-)** | **(-)** | **(141.17)** | **(141.17)** |
| **vi.** | **Purchase of services** | | | | | | | | |
| | DEN Ambey Cable Networks Private Limited | 246.51 | - | 246.51 | - | - | - | - | 246.51 |
| | | (241.71) | (-) | (241.71) | (-) | (-) | (-) | (-) | (241.71) |
| | Den Enjoy Cable Networks Private Limited | 224.15 | - | 224.15 | - | - | - | - | 224.15 |
| | | (219.78) | (-) | (219.78) | (-) | (-) | (-) | (-) | (219.78) |
| | Mansion Cable Network Private Limited | 156.81 | - | 156.81 | - | - | - | - | 156.81 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Others | 610.87 | 76.07 | 686.94 | 174.47 | - | - | - | 861.41 |
| | | (1,036.81) | (212.54) | (1,249.35) | (167.76) | (-) | (-) | (-) | (1,417.11) |
| | **Total** | **1,238.34** | **76.07** | **1,314.41** | **174.47** | **-** | **-** | **-** | **1,488.88** |
| | | **(1,498.30)** | **(212.54)** | **(1,710.84)** | **(167.76)** | **(-)** | **(-)** | **(-)** | **(1,878.60)** |
| **vii.** | **Allowance on trade receivables and advances** | | | | | | | | |
| | Eminent Cable Network Private Limited | 17.19 | - | 17.19 | - | - | - | - | 17.19 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Den Rajkot City Communication Private Limited | - | - | - | - | - | - | - | - |
| | | (13.69) | (-) | (13.69) | (-) | (-) | (-) | (-) | (13.69) |
| | Drashti Cable Network Private Limited | - | - | - | - | - | - | - | - |
| | | (7.30) | (-) | (7.30) | (-) | (-) | (-) | (-) | (7.30) |
| | Trident Entertainment Private Limited | - | - | - | - | - | - | - | - |
| | | (7.50) | (-) | (7.50) | (-) | (-) | (-) | (-) | (7.50) |
| | Den Saya Channel Network Private Limited | - | 18.99 | 18.99 | - | - | - | - | 18.99 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Others | 4.41 | 0.37 | 4.78 | - | - | - | - | 4.78 |
| | | (-) | (-) | (-) | (2.48) | (-) | (-) | (-) | (2.48) |
| | **Total** | **21.60** | **19.36** | **40.96** | **-** | **-** | **-** | **-** | **40.96** |
| | | **(28.49)** | **(-)** | **(28.49)** | **(2.48)** | **(-)** | **(-)** | **(-)** | **(30.97)** |

# NOTES TO THE FINANCIAL STATEMENTS

| | Particulars | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| **viii.** | **Reimbursement of expenses (received)** | | | | | | | | |
| | Den Futuristic Cable Networks Private Limited | - | - | - | - | - | - | - | |
| | | (0.53) | (-) | (0.53) | (-) | (-) | (-) | (-) | (0.53) |
| | Srishti DEN Networks Private Limited | - | - | - | - | - | - | - | - |
| | | (-) | (0.36) | (0.36) | (-) | (-) | (-) | (-) | (0.36) |
| | Others | - | - | - | - | - | - | | |
| | | (1.19) | (0.09) | (1.28) | (0.05) | (-) | (-) | (-) | (1.33) |
| | **Total** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | **(1.72)** | **(0.45)** | **(2.17)** | **(0.05)** | **(-)** | **(-)** | **(-)** | **(2.22)** |
| **ix.** | **Reimbursement of expenses (paid)** | | | | | | | | |
| | Den Futuristic Cable Networks Private Limited | 5.04 | - | 5.04 | - | - | - | - | 5.04 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | DEN VM Magic Entertainment Private Limited | 1.80 | - | 1.80 | - | - | - | - | 1.80 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Den Fateh Marketing Private Limited | - | - | - | - | - | - | - | - |
| | | (11.84) | (-) | (11.84) | (-) | (-) | (-) | (-) | (11.84) |
| | Silverline Television Network Private Limited | 3.50 | - | 3.50 | - | - | - | - | 3.50 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Den Mahendra Satellite Private Limited | - | - | - | - | - | - | - | - |
| | | (2.14) | (-) | (2.14) | (-) | (-) | (-) | (-) | (2.14) |
| | Others | 4.31 | 0.90 | 5.21 | - | - | - | - | 5.21 |
| | | (0.58) | (1.50) | (2.08) | (-) | (-) | (-) | (-) | (2.08) |
| | **Total** | **14.65** | **0.90** | **15.55** | **-** | **-** | **-** | **-** | **15.55** |
| | | **(14.56)** | **(1.50)** | **(16.06)** | **(-)** | **(-)** | **(-)** | **(-)** | **(16.06)** |
| x. | Investments made during the year (Equity and/or preference share capital) | | | | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | | - | - | - | - |
| | | (-) | (-) | (-) | (104.50) | (-) | (-) | (-) | (104.50) |
| | Macro Commerce Private Limited | - | - | - | - | - | - | - | - |
| | | (60.00) | (-) | (60.00) | (-) | (-) | (-) | (-) | (60.00) |
| | DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET | | | | | | | | |
| | CABLE NETWORK PRIVATE LIMITED) | 1,469.81 | - | 1,469.81 | - | - | - | - | 1,469.81 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | | | | | | | | |
| | VBS Digital Distribution Network Private Limited | 26.38 | - | 26.38 | - | - | - | - | 26.38 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | DEN Digital Cable Network Private Limited | 34.00 | - | 34.00 | - | - | - | - | 34.00 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Others | - | - | - | - | - | - | - | - |
| | | (20.57) | (-) | (20.57) | (-) | (-) | (-) | (-) | (20.57) |
| | **Total** | **1,530.19** | **-** | **1,530.19** | **-** | **-** | **-** | **-** | **1,530.19** |
| | | **(80.57)** | **(-)** | **(80.57)** | **(104.50)** | **(-)** | **(-)** | **(-)** | **(185.07)** |
| **xi.** | **Investments sold during the year (Equity and/or preference share capital)** | | | | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | 6.40 | - | - | - | 6.40 |
| | | (-) | (-) | (-) | (80.00) | (-) | (-) | (-) | (80.00) |
| | Others | - | - | - | - | - | - | - | - |
| | | (19.20) | (-) | (19.20) | (-) | (-) | (-) | (-) | (19.20) |
| | **Total** | **-** | **-** | **-** | **6.40** | **-** | **-** | **-** | **6.40** |
| | | **(19.20)** | **(-)** | **(19.20)** | **(80.00)** | **(-)** | **(-)** | **(-)** | **(99.20)** |
| **xii.** | **Loans given during the year** | | | | | | | | |
| | Den Futuristic Cable Networks Private Limited | - | - | - | - | - | - | - | - |
| | | (188.44) | (-) | (188.44) | (-) | (-) | (-) | (-) | (188.44) |
| | DEN BROADBAND PRIVATE LIMITED (Formerly | | | | | | | | |
| | SKYNET CABLE NETWORK PRIVATE LIMITED) | 407.58 | - | 407.58 | - | - | - | - | 407.58 |
| | | (408.68) | (-) | (408.68) | (-) | (-) | (-) | (-) | (408.68) |
| | Macro Commerce Private Limited | - | - | - | - | - | - | - | - |
| | | (38.61) | (-) | (38.61) | (-) | (-) | (-) | (-) | (38.61) |
| | Others | - | - | - | - | - | - | - | - |
| | | (20.00) | (-) | (20.00) | (-) | (-) | (-) | (-) | (20.00) |
| | **Total** | **407.58** | **-** | **407.58** | **-** | **-** | **-** | **-** | **407.58** |
| | | **(655.73)** | **(-)** | **(655.73)** | **(-)** | **(-)** | **(-)** | **(-)** | **(655.73)** |

| | Particulars | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| **xiii.** | **Loans received back during the year** | | | | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | - | - | - | - | - |
| | | (-) | (-) | (-) | (192.49) | (-) | (-) | (-) | (192.49) |
| | DEN BROADBAND PRIVATE LIMITED (Formerly | | | | | | | | |
| | SKYNET CABLE NETWORK PRIVATE LIMITED) | 1,469.81 | - | 1,469.81 | - | - | - | - | 1,469.81 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Den Futuristic Cable Networks Private Limited | 33.00 | - | 33.00 | - | - | - | - | 33.00 |
| | | (158.12) | (-) | (158.12) | (-) | (-) | (-) | (-) | (158.12) |
| | Others | 37.22 | - | 37.22 | - | - | - | - | 37.22 |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | **Total** | **1,540.03** | **-** | **1,540.03** | **-** | **-** | **-** | **-** | **1,540.03** |
| | | **(158.12)** | **(-)** | **(158.12)** | **(192.49)** | **(-)** | **(-)** | **(-)** | **(350.61)** |
| xiv. | Provision for impairment in value of investments in subsidiary companies and associate Macro Commerce Private Limited | - | - | - | - | - | - | - | - |
| | | (210.00) | (-) | (210.00) | (-) | (-) | (-) | (-) | (210.00) |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | - | - | - | - | - |
| | | (-) | (-) | (-) | (248.42) | (-) | (-) | (-) | (248.42) |
| | **Total** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | **(210.00)** | **(-)** | **(210.00)** | **(248.42)** | **(-)** | **(-)** | **(-)** | **(458.42)** |

**B. Outstanding balances at year end**

**i. Investments in subsidiaries, associates and joint venture (Equity and/or preference share capital)**

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED) | 31 March, 2018 | 1,477.96 | - | 1,477.96 | - | - | - | - | 1,477.96 |
| | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Den Futuristic Cable | 31 March, 2018 | 644.37 | - | 644.37 | - | - | - | - | 644.37 |
| Networks Private Limited | 31 March, 2017 | (98.56) | (-) | (98.56) | (-) | (-) | (-) | (-) | (98.56) |
| | 1 April, 2016 | (90.89) | (-) | (90.89) | (-) | (-) | (-) | (-) | (90.89) |
| Others | 31 March, 2018 | 2,811.44 | | 2,811.44 | 502.89 | - | - | - | 3,314.33 |
| | 31 March, 2017 | (3,503.73) | (-) | (3,503.73) | (751.31) | (-) | (-) | (-) | (4,255.04) |
| | 1 April, 2016 | (3,276.10) | (-) | (3,276.10) | (857.34) | (150.00) | (-) | (-) | (4,283.44) |
| **Total** | | **4,933.77** | **-** | **4,933.77** | **502.89** | **-** | **-** | **-** | **5,436.66** |
| | | **(3,602.29)** | **(-)** | **(3,602.29)** | **(751.31)** | **(-)** | **(-)** | **(-)** | **(4,353.60)** |
| | | **(3,366.99)** | **(-)** | **(3,366.99)** | **(857.34)** | **(150.00)** | **(-)** | **(-)** | **(4,374.33)** |
| Less : Provision for impairment in value of investments in subsidiary companies | 31 March, 2018 | 175.72 | - | 175.72 | - | - | - | - | 175.72 |
| | 31 March, 2017 | (385.72) | - | (385.72) | (248.42) | (-) | (-) | (-) | (634.14) |
| | 1 April, 2016 | (175.72) | (-) | (175.72) | (-) | (-) | (-) | (-) | (175.72) |
| **Total** | | **4,758.05** | **-** | **4,758.05** | **502.89** | **-** | **-** | **-** | **5,260.94** |
| | | **(3,216.57)** | **(-)** | **(3,216.57)** | **(502.89)** | **(-)** | **(-)** | **(-)** | **(3,719.46)** |
| | | **(3,191.27)** | **(-)** | **(3,191.27)** | **(857.34)** | **(150.00)** | **(-)** | **(-)** | **(4,198.61)** |

**ii. Finance lease receivables**

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| Den Enjoy Cable Networks Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (2.08) | (-) | (2.08) | (-) | (-) | (-) | (-) | (2.08) |
| | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| DEN Ambey Cable Networks Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | 1 April, 2016 | (42.73) | (-) | (42.73) | (-) | (-) | (-) | (-) | (42.73) |
| Den Rajkot City Communication Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (8.29) | (-) | (8.29) | (-) | (-) | (-) | (-) | (8.29) |
| | 1 April, 2016 | (61.67) | (-) | (61.67) | (-) | (-) | (-) | (-) | (61.67) |
| Den-Manoranjan Satellite Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (13.89) | (-) | (13.89) | (-) | (-) | (-) | (-) | (13.89) |
| | 1 April, 2016 | (44.86) | (-) | (44.86) | (-) | (-) | (-) | (-) | (44.86) |
| Eminent Cable Network Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (91.56) | (-) | (91.56) | (-) | (-) | (-) | (-) | (91.56) |
| | 1 April, 2016 | (123.26) | (-) | (123.26) | (-) | (-) | (-) | (-) | (123.26) |
| Den Discovery Digital Networks Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (30.43) | (-) | (30.43) | (-) | (-) | (-) | (-) | (30.43) |
| | 1 April, 2016 | (71.30) | (-) | (71.30) | (-) | (-) | (-) | (-) | (71.30) |
| Others | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (8.77) | (-) | (8.77) | (-) | (-) | (-) | (-) | (8.77) |
| | 1 April, 2016 | (84.83) | (-) | (84.83) | (-) | (-) | (-) | (-) | (84.83) |
| Less: Provision for receivables under finance lease | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | - | (-) | - | (-) | (-) | (-) | (-) | - |
| | 1 April, 2016 | (12.70) | (-) | (12.70) | (-) | (-) | (-) | (-) | (12.70) |
| **Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | **(155.02)** | **(-)** | **(155.02)** | **(-)** | **(-)** | **(-)** | **(-)** | **(155.02)** |
| | | **(415.95)** | **(-)** | **(415.95)** | **(-)** | **(-)** | **(-)** | **(-)** | **(415.95)** |

**iii. Other financial assets**

| | Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| **a.** | **Advances recoverable** | | | | | | | | | |
| | DEN Ambey Cable Networks Private Limited | 31 March, 2018 | 5.00 | - | 5.00 | - | - | - | - | 5.00 |
| | | 31 March, 2017 | (37.43) | (-) | (37.43) | (-) | (-) | (-) | (-) | (37.43) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Den Enjoy Cable Networks Private Limited | 31 March, 2018 | 23.36 | - | 23.36 | - | - | - | - | 23.36 |
| | | 31 March, 2017 | (32.85) | (-) | (32.85) | (-) | (-) | (-) | (-) | (32.85) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Eminent Cable Network Private Limited | 31 March, 2018 | 27.49 | - | 27.49 | - | - | - | - | 27.49 |
| | | 31 March, 2017 | (31.63) | (-) | (31.63) | (-) | (-) | (-) | (-) | (31.63) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Mansion Cable Network Private Limited | 31 March, 2018 | 36.54 | - | 36.54 | - | - | - | - | 36.54 |
| | | 31 March, 2017 | (47.16) | (-) | (47.16) | (-) | (-) | (-) | (-) | (47.16) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |

# NOTES TO THE FINANCIAL STATEMENTS

| | Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| | Den Satellite Cable TV Network Private Limited | 31 March, 2018 | 25.27 | - | 25.27 | - | - | - | - | 25.27 |
| | | 31 March, 2017 | (1.58) | (-) | (1.58) | (-) | (-) | (-) | (-) | (1.58) |
| | | 1 April, 2016 | (124.80) | (-) | (124.80) | (-) | (-) | (-) | (-) | (124.80) |
| | Den Fateh Marketing Private Limited | 31 March, 2018 | 32.70 | - | 32.70 | - | - | - | - | 32.70 |
| | | 31 March, 2017 | (29.30) | (-) | (29.30) | (-) | (-) | (-) | (-) | (29.30) |
| | | 1 April, 2016 | (12.43) | (-) | (12.43) | (-) | (-) | (-) | (-) | (12.43) |
| | Den Futuristic Cable Networks Private Limited | 31 March, 2018 | 46.19 | - | 46.19 | - | - | - | - | 46.19 |
| | | 31 March, 2017 | (26.91) | (-) | (26.91) | (-) | (-) | (-) | (-) | (26.91) |
| | | 1 April, 2016 | (31.71) | (-) | (31.71) | (-) | (-) | (-) | (-) | (31.71) |
| | Others | 31 March, 2018 | 248.03 | 31.31 | 279.34 | 18.43 | - | - | - | 297.77 |
| | | 31 March, 2017 | (120.72) | (41.46) | (162.18) | (1.46) | (-) | (-) | (-) | (163.64) |
| | | 1 April, 2016 | (34.44) | (26.49) | (60.93) | (10.66) | (3.91) | (0.02) | (-) | (75.52) |
| | **Total** | | **444.58** | **31.31** | **475.89** | **18.43** | **-** | **-** | **-** | **494.32** |
| | | | **(327.58)** | **(41.46)** | **(369.04)** | **(1.46)** | **(-)** | **(-)** | **(-)** | **(370.50)** |
| | | | **(203.38)** | **(26.49)** | **(229.87)** | **(10.66)** | **(3.91)** | **(0.02)** | **(-)** | **(244.46)** |
| **b.** | **Unbilled revenue** | | | | | | | | | |
| | Den Satellite Network Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (0.32) | (-) | (-) | (-) | (0.32) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Mansion Cable Network Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (0.75) | (-) | (0.75) | (-) | (-) | (-) | (-) | (0.75) |
| | Eminent Cable Network Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (0.26) | (-) | (0.26) | (-) | (-) | (-) | (-) | (0.26) |
| | Others | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (0.40) | (-) | (0.40) | (-) | (-) | (-) | (-) | (0.40) |
| | | 1 April, 2016 | (0.12) | (-) | (0.12) | (-) | (-) | (-) | (-) | (0.12) |
| | **Total** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | | **(0.40)** | **(-)** | **(0.40)** | **(0.32)** | **(-)** | **(-)** | **(-)** | **(0.72)** |
| | | | **(1.13)** | **(-)** | **(1.13)** | **(-)** | **(-)** | **(-)** | **(-)** | **(1.13)** |
| **c.** | **Interest accrued but not due** | | | | | | | | | |
| | Radiant Satellite (India) Private Limited | 31 March, 2018 | 12.12 | - | 12.12 | - | - | - | - | 12.12 |
| | | 31 March, 2017 | (11.58) | (-) | (11.58) | (-) | (-) | (-) | (-) | (11.58) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Den Futuristic Cable Networks Private Limited | 31 March, 2018 | 113.70 | - | 113.70 | - | - | - | - | 113.70 |
| | | 31 March, 2017 | (73.83) | (-) | (73.83) | (-) | (-) | (-) | (-) | (73.83) |
| | | 1 April, 2016 | (74.02) | (-) | (74.02) | (-) | (-) | (-) | (-) | (74.02) |
| | Others | 31 March, 2018 | 13.56 | 12.34 | 25.90 | - | - | - | - | 25.90 |
| | | 31 March, 2017 | (13.72) | (11.67) | (25.39) | (0.96) | (-) | (-) | (-) | (26.35) |
| | | 1 April, 2016 | (19.74) | (9.74) | (29.48) | (-) | (0.68) | (-) | (-) | (30.16) |
| | **Total** | | **139.38** | **12.34** | **151.72** | **-** | **-** | **-** | **-** | **151.72** |
| | | | **(99.13)** | **(11.67)** | **(110.80)** | **(0.96)** | **(-)** | **(-)** | **(-)** | **(111.76)** |
| | | | **(93.76)** | **(9.74)** | **(103.50)** | **(-)** | **(0.68)** | **(-)** | **(-)** | **(104.18)** |
| **d.** | **Receivable on sale of property, plant and equipment** | | | | | | | | | |
| | Den Pawan Cable Network Private Limited | 31 March, 2018 | 8.23 | - | 8.23 | - | - | - | - | 8.23 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |

| | Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| | DEN Ambey Cable Networks Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (4.66) | (-) | (4.66) | (-) | (-) | (-) | (-) | (4.66) |
| | | 1 April, 2016 | (41.40) | (-) | (41.40) | (-) | (-) | (-) | (-) | (41.40) |
| | Eminent Cable Network Private Limited | 31 March, 2018 | 3.46 | - | 3.46 | - | - | - | - | 3.46 |
| | | 31 March, 2017 | (28.09) | (-) | (28.09) | (-) | (-) | (-) | (-) | (28.09) |
| | | 1 April, 2016 | (32.02) | (-) | (32.02) | (-) | (-) | (-) | (-) | (32.02) |
| | Den Enjoy Cable Networks Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (12.12) | (-) | (12.12) | (-) | (-) | (-) | (-) | (12.12) |
| | | 1 April, 2016 | (24.12) | (-) | (24.12) | (-) | (-) | (-) | (-) | (24.12) |
| | Den Kashi Cable Network Private Limited | 31 March, 2018 | 11.05 | - | 11.05 | - | - | - | - | 11.05 |
| | | 31 March, 2017 | (11.05) | (-) | (11.05) | (-) | (-) | (-) | (-) | (11.05) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | CCN DEN Network Private Limited | 31 March, 2018 | - | - | - | 12.62 | - | - | - | 12.62 |
| | | 31 March, 2017 | (-) | (-) | (-) | (12.62) | (-) | (-) | (-) | (12.62) |
| | | 1 April, 2016 | (-) | (-) | (-) | (12.62) | (-) | (-) | (-) | (12.62) |
| | Den Satellite Network Private Limited | 31 March, 2018 | - | - | - | 0.13 | - | - | - | 0.13 |
| | | 31 March, 2017 | (-) | (-) | (-) | (0.12) | (-) | (-) | (-) | (0.12) |
| | | 1 April, 2016 | (-) | (-) | (-) | (30.66) | (-) | (-) | (-) | (30.66) |
| | Den Rajkot City Communication Private Limited | 31 March, 2018 | 7.78 | - | 7.78 | - | - | - | - | 7.78 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Mahavir Den Entertainment Private Limited | 31 March, 2018 | 7.60 | - | 7.60 | - | - | - | - | 7.60 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Indradhanush Cable Network Private Limited | 31 March, 2018 | 6.73 | - | 6.73 | - | - | - | - | 6.73 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Others | 31 March, 2018 | 5.26 | 0.01 | 5.27 | - | - | - | - | 5.27 |
| | | 31 March, 2017 | (48.07) | (0.01) | (48.08) | (-) | (-) | (-) | (-) | (48.08) |
| | | 1 April, 2016 | (55.17) | (0.01) | (55.18) | (-) | (-) | (-) | (-) | (55.18) |
| | **Total** | | **50.11** | **0.01** | **50.12** | **12.75** | **-** | **-** | **-** | **62.87** |
| | | | **(103.99)** | **(0.01)** | **(104.00)** | **(12.74)** | **(-)** | **(-)** | **(-)** | **(116.74)** |
| | | | **(152.71)** | **(0.01)** | **(152.72)** | **(43.28)** | **(-)** | **(-)** | **(-)** | **(196.00)** |
| e. | **Other receivables** | | | | | | | | | |
| | DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED) | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (40.00) | (-) | (40.00) | (-) | (-) | (-) | (-) | (40.00) |
| | | 1 April, 2016 | (40.00) | (-) | (40.00) | (-) | (-) | (-) | (-) | (40.00) |
| | | - | - | - | - | - | - | - | - | |
| | | | **(40.00)** | **(-)** | **(40.00)** | **(-)** | **(-)** | **(-)** | **(-)** | **(40.00)** |
| | | | **(40.00)** | **(-)** | **(40.00)** | **(-)** | **(-)** | **(-)** | **(-)** | **(40.00)** |

# NOTES TO THE FINANCIAL STATEMENTS

**iv. Trade receivables**

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| Den Satellite Network Private Limited | 31 March, 2018 | - | - | - | 257.91 | - | - | - | 257.91 |
| | 31 March, 2017 | (-) | (-) | (-) | (534.89) | (-) | (-) | (-) | (534.89) |
| | 1 April, 2016 | (-) | (-) | (-) | (417.05) | (-) | (-) | (-) | (417.05) |
| Others | 31 March, 2018 | 1,296.02 | 113.17 | 1,409.19 | 40.99 | - | - | - | 1,450.18 |
| | 31 March, 2017 | (1,312.80) | (139.95) | (1,452.75) | (28.04) | (-) | (-) | (-) | (1,480.79) |
| | 1 April, 2016 | (1,171.60) | (128.22) | (1,299.82) | (10.45) | (5.35) | (-) | (-) | (1,315.62) |
| **Total** | | **1,296.02** | **113.17** | **1,409.19** | **298.90** | **-** | **-** | **-** | **1,708.09** |
| | | **(1,312.80)** | **(139.95)** | **(1,452.75)** | **(562.93)** | **(-)** | **(-)** | **(-)** | **(2,015.68)** |
| | | **(1,171.60)** | **(128.22)** | **(1,299.82)** | **(427.50)** | **(5.35)** | **(-)** | **(-)** | **(1,732.67)** |

**v. Loans**

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| Den Futuristic Cable Networks Private Limited | 31 March, 2018 | 230.63 | - | 230.63 | - | - | - | - | 230.63 |
| | 31 March, 2017 | (252.55) | (-) | (252.55) | (-) | (-) | (-) | (-) | (252.55) |
| | 1 April, 2016 | (277.55) | (-) | (277.55) | (-) | (-) | (-) | (-) | (277.55) |
| DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | 1 April, 2016 | (-) | (-) | (-) | (192.49) | (-) | (-) | (-) | (192.49) |
| Delhi Soccer Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | 1 April, 2016 | (-) | (-) | (-) | (108.60) | (-) | (-) | (-) | (108.60) |
| Macro Commerce Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | 31 March, 2017 | (37.21) | (-) | (37.21) | (-) | (-) | (-) | (-) | (37.21) |
| | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED) | 31 March, 2018 | 129.57 | - | 129.57 | - | - | - | - | 129.57 |
| | 31 March, 2017 | (1,191.80) | (-) | (1,191.80) | (-) | (-) | (-) | (-) | (1,191.80) |
| | 1 April, 2016 | (600.80) | (-) | (600.80) | (-) | (-) | (-) | (-) | (600.80) |
| Others | 31 March, 2018 | 24.45 | 12.03 | 36.48 | - | - | - | - | 36.48 |
| | 31 March, 2017 | (34.44) | (13.12) | (47.56) | (-) | (-) | (-) | (-) | (47.56) |
| | 1 April, 2016 | (31.44) | (13.12) | (44.56) | (-) | (-) | (-) | (-) | (44.56) |
| **Total** | | **384.65** | **12.03** | **396.68** | **-** | **-** | **-** | **-** | **396.68** |
| | | **(1,516.00)** | **(13.12)** | **(1,529.12)** | **(-)** | **(-)** | **(-)** | **(-)** | **(1,529.12)** |
| | | **(909.79)** | **(13.12)** | **(922.91)** | **(301.09)** | **(-)** | **(-)** | **(-)** | **(1,224.00)** |

**vi. Other financial liabilities**

| Particulars | | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| **a.** | **Security deposits received** | | | | | | | | | |
| | DEN Mahendra Satellite Private Limited | 31 March, 2018 | 1.60 | - | 1.60 | - | - | - | - | 1.60 |
| | | 31 March, 2017 | (0.12) | (-) | (0.12) | (-) | (-) | (-) | (-) | (0.12) |
| | | 1 April, 2016 | (0.12) | (-) | (0.12) | (-) | (-) | (-) | (-) | (0.12) |

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| DEN Prayag Cable Networks Private Limited | 31 March, 2018 | - | 0.02 | 0.02 | - | - | - | - | 0.02 |
| | 31 March, 2017 | (-) | (0.02) | (0.02) | (-) | (-) | (-) | (-) | (0.02) |
| | 1 April, 2016 | (-) | (0.02) | (0.02) | (-) | (-) | (-) | (-) | (0.02) |
| **Total** | | **1.60** | **0.02** | **1.62** | **-** | **-** | **-** | **-** | **1.62** |
| | | **(0.12)** | **(0.02)** | **(0.14)** | **(-)** | **(-)** | **(-)** | **(-)** | **(0.14)** |
| | | **(0.12)** | **(0.02)** | **(0.14)** | **(-)** | **(-)** | **(-)** | **(-)** | **(0.14)** |

**vii. Trade payables**

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| Den Satellite Network Private Limited | 31 March, 2018 | - | - | - | 41.25 | - | - | - | 41.25 |
| | 31 March, 2017 | (-) | (-) | (-) | (313.94) | (-) | (-) | (-) | (313.94) |
| | 1 April, 2016 | (-) | (-) | (-) | (178.12) | (-) | (-) | (-) | (178.12) |
| Den Enjoy Cable Networks Private Limited | 31 March, 2018 | 260.18 | - | 260.18 | - | - | - | - | 260.18 |
| | 31 March, 2017 | (161.24) | (-) | (161.24) | (-) | (-) | (-) | (-) | (161.24) |
| | 1 April, 2016 | (183.33) | (-) | (183.33) | (-) | (-) | (-) | (-) | (183.33) |
| Mansion Cable Network Private Limited | 31 March, 2018 | 221.02 | - | 221.02 | - | - | - | - | 221.02 |
| | 31 March, 2017 | (139.07) | (-) | (139.07) | (-) | (-) | (-) | (-) | (139.07) |
| | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| DEN Ambey Cable Networks Private Limited | 31 March, 2018 | 183.38 | - | 183.38 | - | - | - | - | 183.38 |
| | 31 March, 2017 | (108.78) | (-) | (108.78) | (-) | (-) | (-) | (-) | (108.78) |
| | 1 April, 2016 | (177.83) | (-) | (177.83) | (-) | (-) | (-) | (-) | (177.83) |
| Den Futuristic Cable Networks Private Limited | 31 March, 2018 | 210.97 | - | 210.97 | - | - | - | - | 210.97 |
| | 31 March, 2017 | (127.36) | (-) | (127.36) | (-) | (-) | (-) | (-) | (127.36) |
| | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Others | 31 March, 2018 | 507.68 | 128.86 | 636.54 | 3.85 | - | - | - | 640.39 |
| | 31 March, 2017 | (364.39) | (71.40) | (435.79) | (-) | (-) | (-) | (-) | (435.79) |
| | 1 April, 2016 | (963.12) | (171.87) | (1,134.99) | (29.92) | (1.67) | (-) | (-) | (1,166.58) |
| | | **1,383.23** | **128.86** | **1,512.09** | **45.10** | **-** | **-** | **-** | **1,557.19** |
| | | **(900.84)** | **(71.40)** | **(972.24)** | **(313.94)** | **(-)** | **(-)** | **(-)** | **(1,286.18)** |
| | | **(1,324.28)** | **(171.87)** | **(1,496.15)** | **(208.04)** | **(1.67)** | **(-)** | **(-)** | **(1,705.86)** |

**viii. Other current liabilities**

| Particulars | | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| **a.** | **Deferred revenue** | | | | | | | | | |
| | Den Digital Cable Network Private Limited | 31 March, 2018 | 1.94 | - | 1.94 | - | - | - | - | 1.94 |
| | | 31 March, 2017 | (2.82) | (-) | (2.82) | (-) | (-) | (-) | (-) | (2.82) |
| | | 1 April, 2016 | (2.70) | (-) | (2.70) | (-) | (-) | (-) | (-) | (2.70) |
| | Den A.F. Communication Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (0.89) | (-) | (0.89) | (-) | (-) | (-) | (-) | (0.89) |
| | | 1 April, 2016 | (0.89) | (-) | (0.89) | (-) | (-) | (-) | (-) | (0.89) |

| | Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|---|
| | Eminent Cable Network Private Limited | 31 March, 2018 | 0.92 | - | 0.92 | - | - | - | - | 0.92 |
| | | 31 March, 2017 | (12.01) | (-) | (12.01) | (-) | (-) | (-) | (-) | (12.01) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Den Enjoy Cable Networks Private Limited | 31 March, 2018 | 0.62 | - | 0.62 | - | - | - | - | 0.62 |
| | | 31 March, 2017 | (5.41) | (-) | (5.41) | (-) | (-) | (-) | (-) | (5.41) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Crystal Vision Media Private Limited | 31 March, 2018 | 1.63 | - | 1.63 | - | - | - | - | 1.63 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Libra Cable Network Private Limited | 31 March, 2018 | 1.35 | - | 1.35 | - | - | - | - | 1.35 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Cab-i-Net Communications Private Limited | 31 March, 2018 | 1.00 | - | 1.00 | - | - | - | - | 1.00 |
| | | 31 March, 2017 | (1.14) | (-) | (1.14) | (-) | (-) | (-) | (-) | (1.14) |
| | | 1 April, 2016 | (0.98) | (-) | (0.98) | (-) | (-) | (-) | (-) | (0.98) |
| | Den F K Cable Tv Network Private Limited | 31 March, 2018 | 2.38 | - | 2.38 | - | - | - | - | 2.38 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Others | 31 March, 2018 | 2.01 | - | 2.01 | 0.13 | - | - | - | 2.14 |
| | | 31 March, 2017 | (25.47) | (2.18) | (27.65) | (5.65) | (-) | (-) | (-) | (33.30) |
| | | 1 April, 2016 | (2.39) | (1.04) | (3.43) | (-) | (-) | (-) | (-) | (3.43) |
| | **Total** | | **11.85** | **-** | **11.85** | **0.13** | **-** | **-** | **-** | **11.98** |
| | | | **(47.74)** | **(2.18)** | **(49.92)** | **(5.65)** | **(-)** | **(-)** | **(-)** | **(55.57)** |
| | | | **(6.96)** | **(1.04)** | **(8.00)** | **(-)** | **(-)** | **(-)** | **(-)** | **(8.00)** |
| **b.** | **Advances from customers** | | | | | | | | | |
| | Den Enjoy Navaratan Network Private Limited | 31 March, 2018 | - | 1.08 | 1.08 | - | - | - | - | 1.08 |
| | | 31 March, 2017 | (-) | (53.00) | (53.00) | (-) | (-) | (-) | (-) | (53.00) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | Ekta Entertainment Network Private Limited | 31 March, 2018 | 0.05 | - | 0.05 | - | - | - | - | 0.05 |
| | | 31 March, 2017 | (0.05) | (-) | (0.05) | (-) | (-) | (-) | (-) | (0.05) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | DEN Ambey Cable Networks Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (0.44) | (-) | (0.44) | (-) | (-) | (-) | (-) | (0.44) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | DEN ADN Network Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (5.68) | (-) | (-) | (-) | (5.68) |
| | | 1 April, 2016 | (-) | (-) | (-) | (15.47) | (-) | (-) | (-) | (15.47) |
| | Den Futuristic Cable Networks | 31 March, 2018 | 9.38 | - | 9.38 | - | - | - | - | 9.38 |
| | Private Limited | | | | | | | | | |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | VBS Digital Distribution Network Private Limited | 31 March, 2018 | 3.23 | - | 3.23 | - | - | - | - | 3.23 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| | CCN DEN Network Private Limited | 31 March, 2018 | - | - | - | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (0.99) | (-) | (-) | (-) | (0.99) |
| | | 1 April, 2016 | (-) | (-) | (-) | (8.83) | (-) | (-) | (-) | (8.83) |

| Particulars | | Subsidiaries held directly | Subsidiaries held indirectly | Total | Associate entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|---|---|
| Others | 31 March, 2018 | 0.49 | - | 0.49 | - | - | - | - | 0.49 |
| | 31 March, 2017 | (0.01) | (-) | (0.01) | (-) | (-) | (-) | (-) | (0.01) |
| | 1 April, 2016 | (2.60) | (0.43) | (3.03) | (-) | (-) | (-) | (-) | (3.03) |
| **Total** | | **13.15** | **1.08** | **14.23** | **-** | **-** | **-** | **-** | **14.23** |
| | | **(0.50)** | **(53.00)** | **(53.50)** | **(6.67)** | **(-)** | **(-)** | **(-)** | **(60.17)** |
| | | **(2.60)** | **(0.43)** | **(3.03)** | **(24.30)** | **(-)** | **(-)** | **(-)** | **(27.33)** |

ix. Amount recoverable from DNL Employees Welfare Trust as at 31 March, 2018: Rs. 0.36 million (As at 31 March, 2017: Rs. 0.36 million, As at 1 April, 2016: Rs. 0.36 million)

x. The Company has granted a corporate guarantee of Rs. Nil (As at 31 March, 2017: Rs. 250 million; As at 1 April, 2016: Rs. 250 million) for a term loan taken from bank by an associate company, Den Satellite Network Private Limited. The outstanding amount of the term loan as at the end of the year amounted to Nil (As at 31 March, 2017: Rs. 74.75 million, 1 April, 2016 : Rs. 121.33 million).

xi. Lucid Systems Private Limited ('LSPL') has granted guarantee by way of pledge of 6.00 million (31 March, 2017 - 8.20 million, 1 April, 2016 - 5.50 million) equity shares held in the Company by LSPL for loans taken by the Company from a financial institution and banks. The outstanding amount of loans as at the end of the year aggregated to Rs. 1,180.75 million (As at 31 March, 2017: Rs. 1,202.73 million, 1 April, 2016 : Rs. 355.59 million).

## 37. Share Based payments

### A. Employee Stock Option Plan 2010 ("ESOP 2010")

#### a) Details of the employee share option plan of the company

The weighted average fair value of the share options granted under ESOP 2010 during the financial year is Rs. 38.97 (during the year ended 31 March, 2017: Rs. 29.11). Options were priced using Black Scholes model.

The Company had established an Employee Stock Option Plan (ESOP 2010) in accordance with the "Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" and "the Securities and Exchange Board of India (Share Based Employee Benefits) (Amendment) Regulation, 2015", which has been approved by the Board of Directors and the shareholders. A Nomination and Remuneration / Compensation Committee comprising majority of independent, non-executive members of the Board of Directors administers the ESOPs. All options under the ESOPs are exercisable for equity shares. The Company had taken approval of the Shareholders to grant and allot upto 5,219,599 equity options under the said scheme. The total outstanding options under the scheme are 482,500 equity options.

There shall be a minimum period of one year between the grant of options and vesting of options. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

As per approval of the shareholder, the Company may issue options to employees of the Company/ subsidiaries/ directors of the subsidiaries.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the receipt of the option. The options carry neither rights to dividend nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

During the year ended 31 March, 2018, the Nomination and Remuneration/Compensation Committee has granted 100,000 options under Employee Stock Option Plan - 2010 to an eligible employee of the Company.

The following share based arrangements were in existence during the current and prior years :

| Options Series | | Number | Grant date | Expiry date | Forfeiture date | Exercise Price (in Rs.) | Fair value at grant date (in Rs.) |
|---|---|---|---|---|---|---|---|
| 1 | DEN ESOP Scheme, 2010 (Granted on 13 February, 2015) | 4,30,000 | 13-Feb-15 | 12-Feb-18 | 01-Apr-16 | 160.00 | 16.40 |
| | | 2,00,000 | 13-Feb-15 | 12-Feb-18 | 15-Feb-17 | 160.00 | 16.40 |
| | | 2,55,000 | 13-Feb-15 | 12-Feb-18 | 12-Feb-18 | 160.00 | 16.40 |
| | | 2,12,500 | 13-Feb-15 | 12-Feb-18 | 12-Feb-18 | 160.00 | 26.76 |
| | | 2,12,500 | 13-Feb-15 | 12-Feb-19 | - | 160.00 | 35.52 |
| | | 1,70,000 | 13-Feb-15 | 12-Feb-20 | - | 160.00 | 43.08 |

| Options Series | | Number | Grant date | Expiry date | Forfeiture date | Exercise Price (in Rs.) | Fair value at grant date (in Rs.) |
|---|---|---|---|---|---|---|---|
| 2 | DEN ESOP Scheme, 2010 (Granted on 16 March, 2015) | 2,00,000 | 16-Mar-15 | 15-Mar-20 | 30-Apr-16 | 160.00 | 16.93 |
| 3 | DEN ESOP Scheme, 2010 (Granted on 01 January, 2018) | 1,00,000 | 01-Jan-18 | 31-Dec-19 | - | 80.00 | 39.32 |

All options vested on their date of grant and expiry within twelve months of their issue, or one month after the resignation of the executive or senior employee, whichever is earlier.

b) Fair value of share options granted in the year

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant. The Company has granted 4,026,195 options upto 31 March, 2018.

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

| | 850,000 Options (Vesting Period -4 Years) | | | | 100,000 Options (Vesting Period -1 Year) |
|---|---|---|---|---|---|
| | 1st Year | 2nd Year | 3rd Year | 4th Year | 1st Year |
| Grant date share price | 111.50 | 111.50 | 111.50 | 111.50 | 105.90 |
| Exercise price | 160.00 | 160.00 | 160.00 | 160.00 | 80.00 |
| Expected volatility (in %) | 48.00% | 48.00% | 48.00% | 48.00% | 41.80% |
| Option life (in years) | 1.50 | 2.50 | 3.50 | 4.50 | 1.50 |
| Dividend yield (in %) | Nil | Nil | Nil | Nil | Nil |
| Risk-free interest rate (in %) | 7.93% | 7.88% | 7.85% | 7.81% | 6.62% |

The volatility of the options is based on the historical volatility of the share price since the Company's equity shares are publicly traded, which may be shorter than the term of the options.

**c) Movement in share options during the year**

The following reconciles the share options outstanding at the beginning and end of the year :

| Particulars | 2017-2018 | | 2016-2017 | | 2015-2016 | |
|---|---|---|---|---|---|---|
| | Number of options | Weighted average exercise price (in Rs.) | Number of options | Weighted average exercise price (in Rs.) | Number of options | Weighted average exercise price (in Rs.) |
| Balance at the beginning of the year | 5,95,000 | 160.00 | 16,80,000 | 160.00 | 16,80,000 | 160.00 |
| Granted during the year | 1,00,000 | 80.00 | - | - | - | - |
| Forfeited during the year | - | | - | - | - | - |
| Exercised during the year | - | | - | - | - | - |
| Expired during the year | 2,12,500 | 160.00 | 10,85,000 | 160.00 | - | - |
| **Balance at the end of the year** | **4,82,500** | **143.42** | **5,95,000** | **160.00** | **16,80,000** | **160.00** |

**d) Share options outstanding at the end of the year**

The share options outstanding at the end of the year had remaining contractual life of 1.41 years (as at 31 March, 2017 is 1.26 years; as at 1 April, 2016 is 2.21 years).

**B. Employee Stock Option Plan 2014 ("ESOP 2014")**

**a) Details of the employee share option plan of the company**

The weighted average fair value of the share options granted under ESOP 2014 during the financial year is Rs. 20.75 (during the year ended 31 March, 2017: Rs. 57.03). Options were priced using Black Scholes model.

The shareholders of the Company vide shareholders approval through postal ballot dated 5 January, 2015 had approved purchase upto 2.5% of paid-up equity share capital of the Company from the secondary market under the DEN ESOP Plan A- 2014. Further, the shareholders of the Company vide shareholders approval through postal ballot dated 23 June, 2015, terminated the DEN ESOP Plan A- 2014 and allocated the same option under DEN ESOP Plan B -2014. After approval, the total number of equity shares under the DEN ESOP Plan B-2014 has increased to 8,909,990.

During the year ended 31 March, 2018, the Company had issued and allotted 1.75 million equity shares of Rs. 10 each to an eligible employee arising from exercise of ESOPs under the 'ESOP Plan 2014.

The Company has approved a share option scheme for the executives and senior employees of the Company and its subsidiaries.

The following share based arrangements were in existence during the current and prior years :

| | Options Series | Number | Grant date | Expiry date | Forfeiture date | Exercise Price | Fair value at grant date |
|---|---|---|---|---|---|---|---|
| 1 | DEN ESOP Plan B-2014 (Granted on 16 January, 2015) | 28,00,000 | 16-Jan-15 | 15-Jan-20 | 27-Jan-17 | 160.00 | 21.44 |
| 2 | DEN ESOP Plan B-2014 (Granted on 2 February, 2015) | 2,40,000 | 02-Feb-15 | 01-Feb-17 | 01-Feb-17 | 160.00 | 14.51 |
| | | 2,00,000 | 02-Feb-15 | 01-Feb-18 | 24-Mar-17 | 160.00 | 24.34 |
| | | 2,00,000 | 02-Feb-15 | 01-Feb-19 | 24-Mar-17 | 160.00 | 32.79 |
| | | 1,60,000 | 02-Feb-15 | 01-Feb-20 | 24-Mar-17 | 160.00 | 40.15 |
| 3 | DEN ESOP Plan B-2014 (Granted on 10 February, 2015) | 2,40,000 | 10-Feb-15 | 09-Feb-18 | 31-Dec-17 | 160.00 | 15.35 |
| | | 2,00,000 | 10-Feb-15 | 09-Feb-19 | 31-Dec-17 | 160.00 | 25.44 |
| | | 2,00,000 | 10-Feb-15 | 09-Feb-20 | 31-Dec-17 | 160.00 | 34.04 |
| | | 1,60,000 | 10-Feb-15 | 09-Feb-21 | 31-Dec-17 | 160.00 | 41.48 |
| 4 | DEN ESOP Plan B-2014 (Granted on 13 February, 2015) | 15,000 | 13-Feb-15 | 12-Feb-17 | 01-Apr-16 | 160.00 | 16.40 |
| | | 12,500 | 13-Feb-15 | 12-Feb-18 | 01-Apr-16 | 160.00 | 26.76 |
| | | 12,500 | 13-Feb-15 | 12-Feb-19 | 01-Apr-16 | 160.00 | 35.52 |
| | | 10,000 | 13-Feb-15 | 12-Feb-20 | 01-Apr-16 | 160.00 | 43.08 |

| | Options Series | Number | Grant date | Expiry date | Forfeiture date | Exercise Price | Fair value at grant date |
|---|---|---|---|---|---|---|---|
| 5 | DEN ESOP Plan B-2014 (Granted on 3 July, 2015) | 1,00,000 | 03-Jul-15 | 03-Jul-20 | 10-Nov-16 | 160.00 | 14.63 |
| | | 50,000 | 03-Jul-15 | 03-Jul-20 | 11-Apr-16 | 160.00 | 14.63 |
| | | 1,20,000 | 03-Jul-15 | 03-Jul-17 | 03-Jul-17 | 160.00 | 7.32 |
| | | 1,00,000 | 03-Jul-15 | 03-Jul-18 | - | 160.00 | 14.63 |
| | | 1,00,000 | 03-Jul-15 | 03-Jul-19 | - | 160.00 | 21.41 |
| | | 80,000 | 03-Jul-15 | 03-Jul-20 | - | 160.00 | 27.57 |
| 6 | DEN ESOP Plan B-2014 (Granted on 19 July, 2016) | 7,50,000 | 19-Jul-16 | 18-Jul-18 | - | 10.00 | 79.51 |
| | [See note 37B(d)] | | | | | | |
| | | 7,50,000 | 19-Jul-16 | 18-Aug-18 | - | 10.00 | 79.56 |
| | | 2,50,000 | 19-Jul-16 | 18-Jul-19 | - | 10.00 | 80.11 |

**b) Fair value of share options granted in the year**

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions

| | 400,000 Options (Vesting Period -4 Years) | | | |
|---|---|---|---|---|
| | 1st Year | 2nd Year | 3rd Year | 4th Year |
| Grant date share price | 108.40 | 108.40 | 108.40 | 108.40 |
| Exercise price | 160.00 | 160.00 | 160.00 | 160.00 |
| Expected volatility (in %) | 47.65% | 47.65% | 47.65% | 47.65% |
| Option life (in years) | 1.50 | 2.50 | 3.50 | 4.50 |
| Dividend yield (in %) | Nil | Nil | Nil | Nil |
| Risk-free interest rate (in %) | 7.79% | 7.78% | 7.77% | 7.76% |

The volatility of the options is based on the historical volatility of the share price since the Company's equity shares are publicly traded, which may be shorter than the term of the options.

**c) Movement in share options during the year**

The following reconciles the share options outstanding at the beginning and end of the year :

| | 2017-2018 | | 2016-2017 | | 2015-2016 | |
|---|---|---|---|---|---|---|
| | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| Balance at the beginning of the year | 29,50,000 | 160.00 | 50,00,000 | 160.00 | 44,50,000 | 160.00 |
| Granted during the year | - | | 17,50,000 | 10.00 | 5,50,000 | 160.00 |
| Vested during the year | 18,50,000 | 18.11 | 3,00,000 | - | 13,35,000 | - |
| Exercised during the year | 17,50,000 | 10.00 | - | - | - | - |
| Expired during the year | 9,20,000 | 160.00 | 38,00,000 | - | - | - |
| Balance at the end of the year | 2,80,000 | 160.00 | 29,50,000 | 31.04 | 50,00,000 | 160.00 |

**d) Share options exercised during the year**

The following share options were exercised during the year :

| Option series | Number exercised | Exercise date | Share price at exercise date (in Rs.) |
|---|---|---|---|
| 1 Granted on 19 July, 2016 | 7,50,000 | 21-Jul-17 | 79.30 |
| 2 Granted on 19 July, 2016 | 10,00,000 | 12-Aug-17 | 76.70 |

**e) Share options outstanding at the end of the year**

The share options outstanding at the end of the year had remaining contractual life of 1 year (as at 31 March, 2017 is 1.39 years; as at 1 April, 2016 is 1.76 years).

**38. Financial Instruments**

**a) Capital Management**

The Company's management reviews the capital structure of the Company on periodical basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company monitors the capital structure using gearing ratio which is determined as the proportion of net debt to total equity.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 18, 16 and 20 and offset by cash and bank balances and current investments in notes 10, 12, 6 and 13) and total equity of the Company.

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, non-current and current borrowings. The Company's policy is to use non-current and current borrowings to meet anticipated funding requirements.

Gearing ratio

The gearing ratio at end of the reporting period was as follows

| | As at 31.03.2018 Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Debt** | | | |
| Borrowings- current (See note 18) | 1,042.92 | 1,146.32 | 2,652.57 |
| Borrowings- non current (See note 16) | 3,137.09 | 1,873.19 | 3,001.33 |
| Current maturities of long term debt (See note 20) | 1,113.54 | 1,826.81 | 2,407.92 |
| Book overdraft (See note 20) | 108.34 | 169.92 | 364.33 |
| | **5,401.89** | **5,016.24** | **8,426.15** |
| **Less:** | | | |
| Cash and cash equivalents (See note 12) | 898.44 | 443.55 | 1,283.60 |
| Current investments (See note 10) | 529.84 | 266.79 | 357.28 |
| Bank balances (See note 13) | 1,629.56 | 2,337.58 | 3,201.99 |
| Other financial assets (See note 6) | 125.00 | - | - |
| **Net debt** | **2,219.05** | **1,968.32** | **3,583.28** |
| **Total equity** | **8,101.89** | **8,329.89** | **8,972.56** |
| **Net debt to equity ratio** | **27.39%** | **23.63%** | **39.94%** |

**(b) Financial risk management objective and policies**

**Financial assets and liabilities:**

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

**As at 31 March, 2018** **(Rs. in million)**

| Financial assets | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 898.44 | - | - | 898.44 |
| Bank balances other than cash and cash equivalents | 1,629.56 | - | | 1,629.56 |
| Trade receivables | 3,797.00 | - | - | 3,797.00 |
| Current investments | - | - | 529.84 | 529.84 |
| Loans | 396.68 | - | - | 396.68 |
| Security deposits | 65.94 | - | - | 65.94 |
| Other financial assets | 1,050.50 | - | - | 1,050.50 |
| Investment in preference shares | - | - | 228.90 | 228.90 |
| | **7,838.12** | **-** | **758.74** | **8,596.86** |

Investment in equity shares of subsidiaries and associates carried at cost less impairment **5,032.04**

| Financial liabilities | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Borrowings - non-current | 3,137.09 | - | - | 3,137.09 |
| Borrowings - current | 1,042.92 | - | - | 1,042.92 |
| Trade payables | 4,378.50 | - | - | 4,378.50 |
| Other financial liabilities - non-current | 5.23 | - | - | 5.23 |
| Other financial liabilities - current | 1,611.72 | - | - | 1,611.72 |
| | **10,175.46** | **-** | **-** | **10,175.46** |

# NOTES TO THE FINANCIAL STATEMENTS

**As at 31 March, 2017**

**(Rs. in million)**

| Financial assets | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 443.55 | - | - | 443.55 |
| Bank balances other than cash and cash equivalents | 2,337.58 | | | 2,337.58 |
| Trade receivables | 3,166.80 | - | - | 3,166.80 |
| Current investments | - | - | 266.79 | 266.79 |
| Loans | 1,629.12 | - | - | 1,629.12 |
| Security deposits | 61.47 | - | - | 61.47 |
| Other financial assets | 730.88 | - | - | 730.88 |
| Investment in preference shares | - | - | 217.62 | 217.62 |
| | **8,369.40** | **-** | **484.41** | **8,853.81** |

Investment in equity shares of subsidiaries and associates carried at cost less impairment **3,501.84**

**(Rs. in million)**

| Financial liabilities | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Borrowings - non-current | 1,873.19 | - | - | 1,873.19 |
| Borrowings - current | 1,146.32 | - | - | 1,146.32 |
| Trade payables | 3,749.12 | - | - | 3,749.12 |
| Other financial liabilities - non-current | 4.99 | - | - | 4.99 |
| Other financial liabilities - current | 2,538.31 | - | - | 2,538.31 |
| | **9,311.93** | **-** | **-** | **9,311.93** |

**As at 1 April, 2016**

**(Rs. in million)**

| Financial assets | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 1,283.60 | - | - | 1,283.60 |
| Bank balances other than cash and cash equivalents | 3,201.99 | - | - | 3,201.99 |
| Trade receivables | 3,331.39 | - | - | 3,331.39 |
| Current investments | - | - | 357.28 | 357.28 |
| Loans | 1,224.00 | - | - | 1,224.00 |
| Security deposits | 60.99 | - | - | 60.99 |
| Other financial assets | 752.48 | - | - | 752.48 |
| Investment in preference shares | - | - | 212.91 | 212.91 |
| | **9,854.45** | **-** | **570.19** | **10,424.64** |

Investment in equity shares of subsidiaries, joint venture and associates carried at cost less impairment **3,985.71**

| Financial liabilities | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Borrowings - non-current | 3,001.33 | - | - | 3,001.33 |
| Borrowings - current | 2,652.57 | - | - | 2,652.57 |
| Trade payables | 3,157.66 | - | - | 3,157.66 |
| Other financial liabilities - non-current | 2.69 | - | - | 2.69 |
| Other financial liabilities - current | 3,820.02 | - | - | 3,820.02 |
| | **12,634.27** | **-** | **-** | **12,634.27** |

**(c) Risk management framework**

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The objective of the Company's risk management framework is to manage the above risks and aims to :

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- provide management with reliable information on the Company's risk exposure
- improve financial returns

**(i) Market risk**

Market risk is the risk that the fair value of financial instrument will fluctuate because of change in market price. Market risk comprises of three types of risks - interest risk - See - 40 c (iv), foreign currency - See - refer 40 c (iii), and other price risk - See - 40 c (v), such as equity price risk.

The Company's activities expose it primarily to interest rate risk, currency risk and other price risk such as equity price risk. The financial instruments affected by market risk includes : Fixed deposits, current investments, borrowings and other current financial liabilities.

**(ii) Liquidity risk**

The Company requires funds both for short-term operational needs as well as for long-term investment needs.

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. in million)**

| | As at 31 March, 2018 | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-3 Years | 3-5 Years | > 5 Years | Total |
| Non current | | | | | |
| Borrowings* | - | 3,450.70 | 139.95 | - | 3,590.65 |
| Other financial liabilities | - | 5.23 | - | - | 5.23 |
| Current | | | | | |
| Borrowings | 1,042.92 | - | - | - | 1,042.92 |
| Current maturities of long term debt* | 1,113.54 | - | - | - | 1,113.54 |
| Interest accrued | 11.04 | - | - | - | 11.04 |
| Trade payables | 4,378.50 | - | - | - | 4,378.50 |
| Other financial liabilities | 487.14 | - | - | - | 487.14 |
| **Total** | **7,033.14** | **3,455.93** | **139.95** | **-** | **10,629.02** |

**(Rs. in million)**

| | As at 31 March, 2018 | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-3 Years | 3-5 Years | > 5 Years | Total |
| Non current | | | | | |
| Borrowings* | - | 1,944.43 | 392.10 | - | 2,336.53 |
| Other financial liabilities | - | 4.99 | - | - | 4.99 |
| Current | | | | | - |
| Borrowings | 1,146.32 | - | - | - | 1,146.32 |
| Current maturities of long term debt* | 1,826.81 | - | - | - | 1,826.81 |
| Interest accrued | 24.19 | - | - | - | 24.19 |
| Trade payables | 3,749.12 | - | - | - | 3,749.12 |
| Other financial liabilities | 687.31 | - | - | - | 687.31 |
| | | - | - | - | |
| **Total** | **7,433.75** | **1,949.42** | **392.10** | **-** | **9,775.27** |

# NOTES TO THE FINANCIAL STATEMENTS

**(Rs. in million)**

| | As at 31 March, 2018 | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-3 Years | 3-5 Years | > 5 Years | Total |
| Non current | | | | | |
| Borrowings* | - | 3,504.21 | 373.61 | - | 3,877.82 |
| Other financial liabilities | - | 2.69 | - | - | 2.69 |
| Current | | | | | |
| Borrowings | 2,652.57 | - | - | - | 2,652.57 |
| Current maturities of long term debt* | 2,407.92 | - | - | - | 2,407.92 |
| Interest accrued | 49.53 | - | - | - | 49.53 |
| Trade payables | 3,157.66 | - | - | - | 3,157.66 |
| Other financial liabilities | 1,362.57 | - | - | - | 1,362.57 |
| | | - | - | - | |
| **Total** | **9,630.25** | **3,506.90** | **373.61** | **-** | **13,510.76** |

*includes undiscounted interest.

as at 31 march, 2018, the company had access to fund based facilities of rs. 6,092.26 million, of which rs. 719.78 million were yet not drawn, as set out below:

| | Total Facility (Rs. in million) | Drawn (Rs. in million) | Undrawn (Rs. in million) |
|---|---|---|---|
| | 6,092.26 | 5,372.48 | 719.78 |
| **Total** | **6,092.26** | **5,372.48** | **719.78** |

**(Rs. in Million)**

| | Floating rate | Fixed rate | Non interest bearing | Total |
|---|---|---|---|---|
| **Non current** | | | | |
| Borrowings | 3,137.09 | - | - | 3,137.09 |
| **Current** | | | | |
| Borrowings | 1,042.92 | - | - | 1,042.92 |
| Current maturities of long term debt | **1,113.54** | **-** | **-** | **1,113.54** |
| | **5,293.55** | **-** | **-** | **5,293.55** |
| Fixed deposits | - | 1,790.10 | - | **1,790.10** |
| Weighted average interest rate (per annum) | | | | |
| Buyer's credit (denominated in FC) | 3.20% to 3.40% | NA | | |
| Others | 10.30% to 11.5% | 8.55% | | |

**The exposure of the company's financial liabilities as at 31 march, 2017 to interest rate risk is as follows:**

**(Rs. In Million)**

| | Floating rate | Fixed rate | Non interest bearing | Total |
|---|---|---|---|---|
| **Non current** | | | | |
| Borrowings | 1,445.03 | 428.16 | - | 1,873.19 |
| **Current** | | | | |
| Borrowings | 1,146.32 | - | - | 1,146.32 |
| Current maturities of long term debt | 812.71 | 1,014.11 | - | 1,826.82 |
| | **3,404.06** | **1,442.27** | **-** | **4,846.33** |
| Fixed deposits | - | 2,487.58 | - | **2,487.58** |
| Weighted average interest rate (per annum) | | | | |
| Buyer's credit | 1.80% to 2.10% | NA | | |
| Others | 10.30% to 12.3% | 8.55% | | |

**The exposure of the Company's financial liabilities as at 1 April, 2016 to interest rate risk is as follows:**

**(Rs. in million)**

| | Floating rate | Fixed rate | Non interest bearing | Total |
|---|---|---|---|---|
| **Non current** | | | | |
| Borrowings | 1,629.62 | 1,371.71 | - | 3,001.33 |
| **Current** | | | | |
| Borrowings | 2,652.57 | | - | 2,652.57 |
| Current maturities of long term debt | 1,040.86 | 1,367.06 | - | 2,407.92 |
| | **5,323.05** | **2,738.77** | **-** | **8,061.82** |
| Fixed deposits | - | 3,480.73 | - | **3,480.73** |
| Weighted average interest rate (per annum) | | | | |
| Buyer's credit | 1.4% to 1.6% | NA | | |
| Others | 10.3% to 12.5% | 8.55% | | |

**Interest rate sensitivity analysis on borrowings:**

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's losses before tax for the year ended March 31, 2018 would increase/decrease by Rs. 4.65 million (year ended 31 March, 2017: Rs. 5.54 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**Interest rate sensitivity analysis on fixed deposits:**

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's losses before tax for the year ended 31 March, 2018 would decrease/increase by Rs. 1.44 million (year ended 31 March, 2017: Rs. 2.39 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**(v) Other price risk**

The Company is exposed to price risks arising from fair valuation of Company's investment in mutual funds and preference shares. The investments in mutual fund are held for short term purposes. The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting year.

If prices had been 100 basis points higher/lower, loss before tax for the year ended 31 March, 2018 would decrease/increase by Rs. 5.30 million (for the year ended 31 March, 2017: Rs. 2.67 million) as a result of the changes in fair value of these investments which have been designated as at FVTPL.

# NOTES TO THE FINANCIAL STATEMENTS

**39** During the year ended 31 March, 2018, the Nomination and Remuneration/Compensation Committee has granted 0.10 million options under Employee Stock Option Plan - 2010 to an eligible employee of the Company [Also see note 37A(a)]. Further, during the year ended 31 March, 2018, the Company had issued and allotted 1.75 million equity shares of Rs. 10 each to an eligible employee arising from exercise of ESOPs under the 'ESOP Plan 2014' [Also see note 37B(d)].

**40.** During the financial year 2013-14, the Company had raised funds of Rs. 9,608.22 million by way of Qualified Institutional Placement (QIP) and Preferential Issue of Equity Shares. During the previous financial year, the Company had also raised Rs. 1,424.34 million by way of Preferential Issue of Equity Shares (see note 42 for details of preferential issue)

| | Particulars | Amount (Rs. in million) |
|---|---|---|
| a. | 12,466,321 equity shares by way of Qualified Institutional Placement (QIP) under chapter VIII of SEBI (ICDR) Regulation, 2009 | 2,711.43 |
| b. | 31,709,384 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009 | 6,896.79 |
| c. | 15,826,039 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009 | 1,424.34 |
| | **Total** | **11,032.56** |

The utilisation details of the above proceeds are as follows:

| | Particulars | Amount (Rs. in million) |
|---|---|---|
| a. | Issue expenses incurred | 296.68 |
| b. | Utilisation for implementation of digital addressable system (DAS), broadband and other infrastructure and services | 10,735.88 |
| c. | Balance amount invested in fixed deposits | - |
| | **Total** | **11,032.56** |

**41.** The Company has investments of Rs. 5,260.91 million (net of provision for impairment of Rs. 175.72 million) in subsidiary companies and associate companies as on 31 March, 2018. Of these, net worth of investments with carrying value of Rs. 2,361.50 million (net of provision for impairment of Rs. 175.70 million) and balances of loans and advances recoverable of Rs. 147.80 million as at 31 March, 2018 have fully/substantially eroded. Of these, investments aggregating to Rs. 175.80 million in companies whose net worth is fully/substantially eroded have earned profits for the year ended 31 March, 2018. Based on the valuations as per discounted cash flow method, the management of the Company expects that these companies will have positive cash flows to adequately sustain its operations in the foreseeable future and therefore no further provision for impairment is considered necessary.

**42.** During the year ended 31 March, 2017, the Securities Issue Committee of the Board of Directors at its meeting held on 27 October, 2016 had issued and allotted 15,826,039 equity shares of Rs. 10 each at a premium of Rs. 80 per share to the affiliates of Goldman Sachs Group, Inc. who form part of the persons belonging to non-promoter category. With the aforesaid allotment, the holding of affiliates of the Goldman Sachs Group, Inc. had increased from 17.79% to 24.49%. The Company had received total allotment consideration of Rs. 1,424.34 million. The above issue was approved by shareholders in their Extraordinary general meeting dated 14 October, 2016.

**43.** Exceptional items comprises the following:

a. During the current year, the Company has sold its investment stake in Macro Commerce Private Limited ('MCPL') (erstwhile subsidiary) which has resulted in loss on sale of investment of Rs. 18.82 million. In addition to the above, the Company has made an impairment allowance for loan given to MCPL amounting to Rs. 41.48 million.

b. During the current year, the Company has made an impairment allowance of Rs. 98.60 million on account of loan given to DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED.

c. During the year ended 31 March, 2017, the Company had made a provision for impairment of Rs. 248.42 million on investment in DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) ('Delhi Sports') on account of fair market value of equity shares of Delhi Sports. Further, during the year ended 31 March, 2017, the Company had decreased its investment stake in Delhi Sports by way of sale of 21,052,789 equity shares for a sale consideration of Rs. 80 million and booked a loss on sale of investment of Rs. 130.53 million. The total provision for impairment of Rs. 248.42 million and loss on sale of investment of Rs. 130.53 million for the year ended 31 March, 2017 had been disclosed as an exceptional item in the standalone Ind AS financial statements.

d. During the year ended 31 March, 2017, the Company had made a provision for impairment of Rs. 210.00 million on investment in Macro Commerce Private Limited ('MCPL'), erstwhile joint venture, on account of fair value of equity shares of MCPL and the same had been disclosed as an exceptional item in the standalone Ind AS financial statements.

e. During the year ended 31 March, 2017, the Company had incurred expenses of Rs. 43.33 million on account of separation pay paid to some employees as part of the organisational restructuring of the Company. The same had been disclosed as an exceptional item in the standalone Ind AS financial statements.

**44. Expenditure on Corporate Social Responsibility (CSR)**

a. Gross amount required to be spent by the Company during the period ended 31 March, 2018 is Rs. Nil (Previous year Rs. Nil).

b. Amount spent during the period ended 31 March, 2018:

**(Rs. In million)**

| Particulars | Paid (A) | Yet to be paid (B) | Total (A+B) |
|---|---|---|---|
| (i) Construction/acquisition of any asset | - | - | - |
| | (-) | (-) | (-) |
| (ii) On purposes other than (i) above | 1.01 | - | 1.01 |
| | (0.15) | (-) | (0.15) |

*Figures in bracket relates to previous year*

c. Details of related party transactions:

- Contribution during the period ended 31 March, 2018 is Rs. Nil (Previous year Rs. Nil)
- Payable as at 31 March, 2018 is Rs. Nil (As at 31 March, 2017: Rs. Nil; As at 1 April, 2016: Rs. Nil)

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

**46. Fair value measurement**

i). Financial assets and financial liabilities that are not measured at fair value are as under:

**(Rs. in million)**

| Particulars | As at 31.03.2018 | | As at 31.03.2017 | | As at 01.04.2016 | |
|---|---|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial assets** | | | | | | |
| Cash and cash equivalents | 898.44 | 898.44 | 443.55 | 443.55 | 1,283.60 | 1,283.60 |
| Other bank balances | 1,629.56 | 1,629.56 | 2,337.58 | 2,337.58 | 3,201.99 | 3,201.99 |
| Trade receivables | 3,797.00 | 3,797.00 | 3,166.80 | 3,166.80 | 3,331.39 | 3,331.39 |
| Security deposits | 65.94 | 65.94 | 61.47 | 61.47 | 60.99 | 60.99 |
| Other financial assets | 1,050.50 | 1,050.50 | 730.88 | 730.88 | 752.48 | 752.48 |
| | | | | | | |
| **Financial liabilities** | | | | | | |
| Non-current borrowings | 3,137.09 | 3,137.09 | 1,873.19 | 1,873.19 | 3,001.33 | 3,001.33 |
| Current borrowings | 1,042.92 | 1,042.92 | 1,146.32 | 1,146.32 | 2,652.57 | 2,652.57 |
| Trade payables | 4,378.50 | 4,378.50 | 3,749.12 | 3,749.12 | 3,157.66 | 3,157.66 |
| Other financial liabilities - non-current | 5.23 | 5.23 | 4.99 | 4.99 | 2.69 | 2.69 |
| Other financial liabilities - current | 1,611.72 | 1,611.72 | 2,538.31 | 2,538.31 | 3,820.02 | 3,820.02 |

# NOTES TO THE FINANCIAL STATEMENTS

**Note :**

The carrying value of the above financial assets and financial liabilities carried at amortised cost approximate these fair value.

ii) Fair value hierarchy of assets measured at fair value as at 31 March, 2018; 31 March, 2017 and 1 April, 2016 is as follows:

**(Rs. in million)**

| Particulars | As at 31.03.2018 | Fair value measurement at end of the reporting period/year using | | | Valuation techniques |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Based on the NAV report issued by the fund manager |
| **Financial assets** | | | | | |
| Investment in mutual funds | 529.84 | - | 529.84 | - | Discounted cash flow at a discounted rate that reflects the issuer's current borrowing rate at the end of the reporting year. |
| | | | | | |
| Investment in preference shares | 228.90 | - | - | 228.90 | |
| **Total financial assets** | **758.74** | | **529.84** | **228.90** | |

**(Rs. in million)**

| Particulars | As at 31.03.2017 | Fair value measurement at end of the reporting period/year using | | | Valuation techniques |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Based on the NAV report issued by the fund manager |
| **Financial assets** | | | | | |
| Investment in mutual funds | 266.79 | - | 266.79 | - | Discounted cash flow at a discounted rate that reflects the issuer's current borrowing rate at the end of the reporting year. |
| | | | | | |
| Investment in preference shares | 217.62 | - | - | 217.62 | |
| **Total financial assets** | **484.41** | | **266.79** | **217.62** | |

**(Rs. in million)**

| Particulars | As at 01.04.2016 | Fair value measurement at end of the reporting period/year using | | | Valuation techniques |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Based on the NAV report issued by the fund manager |
| **Financial assets** | | | | | |
| Investment in mutual funds | 357.28 | - | 357.28 | - | Discounted cash flow at a discounted rate that reflects the issuer's current borrowing rate at the end of the reporting year. |
| | | | | | |
| Investment in preference shares | 212.91 | - | - | 212.91 | |
| **Total financial assets** | **570.19** | | **357.28** | **212.91** | |

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

| Particulars | As at 31 March, 2018 (Rs. in million) | As at 31 March, 2017 (Rs. in million) | As at 1 April, 2016 (Rs. in million) |
|---|---|---|---|
| (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.

**48.** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**49.** The composite scheme of arrangement ('the Scheme') amongst DEN NETWORKS LIMITED ('Company') and DEN BROADBAND PRIVATE LIMITED (formerly SKYNET CABLE NETWORK PRIVATE LIMITED) ('DEN Broadband'), a wholly owned subsidiary, which entails transfer of the Internet Service Provider business ("Broadband") of the Company into DEN Broadband, became effective upon issuance of the National Company Law Tribunal, Principal Bench New Delhi order dated 15 September, 2017. The Company filed the said order with the Registrar of Companies, Delhi ('ROC') on 22 September, 2017. In terms of the scheme, DEN Broadband shall settle to the Company an aggregate all-inclusive lump sum consideration of Rs. 40 million without values being assigned to individual assets and liabilities. The consideration has been settled by way of issuance of equity shares.

Pursuant to the Scheme, the Company has given effect to the demerger from the appointed date i.e. 1 April, 2016 and accordingly, the figures for the year ended 31 March, 2017 do not include the operations of Broadband business thereby decreasing the loss after tax by Rs. 405.06 million. Also, the same has been considered as discontinued operations from the appointed date.

In addition, the opening balance sheet as at 1 April, 2016 and the balance sheet as at 31 March, 2017 do not include the assets and liabilities of the demerged entity.

The details of assets and liabilities of broadband business reduced from the balance sheet of the Company on a line by line basis and the resultant recognition of loans/consideration receivable pursuant to the demerger scheme are as follows:

**a) Assets and liabilities reduced:**

| Particulars | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|
| **A. ASSETS** | | |
| **1. Non-current assets** | | |
| (a) Property, plant and equipment | 1,068.77 | 974.31 |
| (b) Capital work-in-progress | 99.35 | 234.91 |
| (c) Other intangible assets | 8.01 | 8.55 |
| (d) Financial assets | | |
| (i) Other financial assets | 2.40 | 1.23 |
| (e) Non-current tax assets (net) | 0.59 | 1.34 |
| (f) Other non-current assets | 3.01 | 7.21 |
| **Total non-current assets** | **1,182.13** | **1,227.55** |
| **2. Current assets** | | |
| (a) Financial assets | | |
| (i) Trade receivables | 21.98 | 16.11 |
| (ii) Cash and cash equivalents | 9.40 | 19.92 |
| (iii) Other financial assets | 0.19 | 0.85 |
| (b) Other current assets | 31.17 | 42.63 |
| **Total current assets** | **62.74** | **79.51** |
| **Total assets (A)** | **1,244.87** | **1,307.06** |
| **B. LIABILITIES** | | |
| **1. Non-current liabilities** | | |
| (a) Financial liabilities | | |
| (i) Borrowings | - | 172.49 |
| (b) Provisions | 4.68 | 4.69 |
| **Total non-current liabilities** | **4.68** | **177.18** |
| **2. Current liabilities** | | |
| (a) Financial liabilities | | |
| (i) Borrowings | - | 111.65 |
| (ii) Trade payables | 173.07 | 177.18 |
| (iii) Other financial liabilities | 173.10 | 135.90 |
| (b) Provisions | 4.91 | 5.21 |
| (c) Other current liabilities | 71.93 | 69.57 |
| **Total current liabilities** | **423.01** | **499.51** |
| **Total liabilities (B)** | **427.69** | **676.69** |

b) Pursuant to the demerger scheme, the resultant excess of assets over liabilities was to be settled by way of consideration receivable and loan receivable and has been recognised in the balance sheet as follows:

| Particulars | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|
| **Excess of assets over the liabilities (A-B)** | **817.18** | **630.37** |
| - Loan receivable | 817.18 | 590.37 |
| - Consideration receivable | - | 40.00 |

The details of income and expenses reduced from the Statement of Profit and Loss of the Company for the year ended 31 March, 2017 are as follows:

| Particulars | Year ended 31.03.2017 (Rs. in million) |
|---|---|
| **1. Income** | |
| (a) Revenue from operations | 817.95 |
| (b) Other income | 1.41 |
| | **819.36** |
| **2. Total income** | |
| **3. Expenses** | |
| (a) Content cost | - |
| (b) Placement fees | - |
| (c) Employee benefits expense | 153.27 |
| (d) Finance costs | 30.01 |
| (e) Depreciation and amortisation expense | 280.04 |
| (f) Other expenses | 747.80 |
| **4. Total expenses** | **1,211.12** |
| **5. Profit / (Loss) before exceptional items and tax expense (2-4)** | -391.76 |
| 6. Exceptional items | 13.30 |
| **7. Profit / (Loss) before tax (5-6)** | **-405.06** |
| **8. Tax expense** | |
| (a) Current tax | - |
| (b) Deferred tax | - |
| **9. Total tax expense** | **-** |
| **10. Profit / (Loss) after tax (7-9)** | **-405.06** |
| **11. Other comprehensive income** | |
| (i) Items that will not be reclassified to profit or loss: | |
| (a) Remeasurement of defined benefit obligations | 1.88 |
| (b) Income tax relating to items that will not be reclassified to profit or loss | - |
| **12. Total other comprehensive income** | **1.88** |
| **13. Total comprehensive income/(loss) for the year (10+12)** | **-403.18** |

**50.** The composite scheme of arrangement ('Scheme') involving amalgamation of 23 subsidiaries (held directly or indirectly) of the Company and demerger of cable business of Amogh Broadband Services Private Limited, a subsidiary of Company (collectively 'transferor companies') into DEN FUTURISTIC CABLE NETWORK PRIVATE LIMITED ('the transferee company'), a wholly owned subsidiary of the Company became effective upon issuance of the order dated 16 August, 2017 by National Company Law Tribunal, Principal Bench New Delhi. The Company filed the said order with the Registrar of Companies, Delhi ('ROC') on 28 August, 2017.

Pursuant to the Scheme becoming effective, the Company, the transferor companies and the transferee company have accounted for the arrangement with effect from the appointed date of 31 March, 2016, based on the accounting treatment prescribed in the scheme. Accordingly, the carrying value of the investment in these merged subsidiaries have been reduced by Rs 1,668.42 million as at 31 March, 2016 in the books of account of the Company and therefore, the figures as at 1 April, 2016 and 31 March, 2017 have been restated.

# NOTES TO THE FINANCIAL STATEMENTS

**51.** During the year ended 31 March, 2018, the Company has acquired 51% stake in VBS Digital Distribution Network Private Limited ('VBS'). Pursuant to this acquisition, VBS has become a subsidiary of the Company. Also, the Company has made a fresh investment of Rs. 14,78 million (3,919,485 equity shares) in DEN BROADBAND PRIVATE LIMITED (formerly SKYNET CABLE NETWORK PRIVATE LIMITED) at a price of Rs. 375 per equity share.

**52.** DEN Ambey Cable Networks Private Limited ('transferee Company'), a wholly owned subsidiary of the Company, has filed a composite Scheme of Arrangement ("the Scheme") with the National Company Law Tribunal (NCLT) in terms of the provisions of the Companies Act, 2013 for merger of its 8 subsidiaries with the transferee Company. The order of NCLT subsequent to this filing is awaited.

**53.** Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013

| Name of entity | Amount (Rs. in million) | Full Particulars | Purpose |
|---|---|---|---|
| **Loans given** | | | |
| DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED) | **407.58** | Repayable on demand. Rate of interest is 15 % p.a. | Funds provided would be utilised for following purposes: |
| | -408.68 | | a) working capital requirements<br>b) general corporate purpose |
| Macro Commerce Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | "Funds provided would be utilised for following purposes: |
| | -38.61 | | a) working capital requirements<br>b) general corporate purpose |
| Amogh Broad Band Services Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | Funds provided would be utilised for following purposes: |
| | -10.00 | | a) working capital requirements<br>b) general corporate purpose" |
| Den Entertainment Network Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | "Funds provided would be utilised for following purposes: |
| | -10.00 | | a) working capital requirements<br>b) general corporate purpose |
| Den Futuristic Cable Networks Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | Funds provided would be utilised for following purposes: |
| | -188.44 | | a) working capital requirements<br>b) general corporate purpose |

| Name of entity | Amount (Rs. in million) | Full Particulars | Purpose |
|---|---|---|---|
| Investment made<br>DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED) | **1,469.81** | Investment in equity shares | Pursuant to the order of the National Company Law Tribunal, the Broadband division of the Company has been demerged into DEN BROADBAND PRIVATE LIMITED. Also see note 49. |
| | (-) | | |
| VBS Digital Distributor Network Private Limited | **26.38** | Investment in equity shares | Strategic investment as part of business expansion. |
| | (-) | | |
| DEN Digital Cable Network Private Limited | **34.00** | Investment in equity shares | Strategic investment as part of business expansion. |
| | (-) | | |
| Macro Commerce Private Limited | - | Investment in equity shares | Strategic investment as part of business expansion. |
| | -210.00 | | |

(Figures in brackets relates to previous year)

# NOTES TO THE FINANCIAL STATEMENTS

**54.** **a)** During the current year, the Company entered into the following non-cash investing activities which are adjusted in theStatement of Cash Flows :

(i) Investment made by the Company in DEN BROADBAND PRIVATE LIMITED, a wholly owned subsidiary of the Company amounting to Rs. 1,469.81 million by conversion of loan amount during financial year 2016-17 and 2017-18.

**b)** **Reconciliation of liabilities arising from financing activities**

The table below details the changes in Company's liabilities arising from financing activities, including both cash and non-cash

**(Rs. in million)**

| Particulars | As at 31 March, 2017 | Cash Flow | Non-cash Changes | As at 31 March, 2018 |
|---|---|---|---|---|
| Non-current borrowings | 1,526.21 | 1,610.88 | - | 3,137.09 |
| Current borrowings | 3,490.03 | -1,225.23 | - | 2,264.80 |
| **Total liabilities from financing activities** | **5,016.24** | **385.65** | **-** | **5,401.89** |

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

**55.** The standalone Ind AS financial statements were approved for issue by the Board of Directors on 18 May, 2018.

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman and
Managing Director
DIN : 00015459

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

**Sd/-**
**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# Consolidated Ind AS Financial Statements

# INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF DEN NETWORKSLIMITED**

**Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of **DEN NETWORKS LIMITED** (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of lossin its associates, comprising the Consolidated Balance Sheet as at 31 March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

**Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flowsandconsolidated statement of changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the IndianAccounting Standards (Ind AS)prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements/ financial information of the subsidiaries and associates referred to below in the Other Matters paragraph, the aforesaid consolidated 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Groupas at 31 March, 2018, and their consolidated loss,consolidated total comprehensive loss, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

**Other Matters**

(a) We did not audit the financial statements/financial information of 110 subsidiaries, whose financial statements/ financial information reflect total assets of Rs. 8,128.42 million as at 31 March, 2018, total revenues of Rs. 4,442.46 million and net cash inflows amounting to Rs. 134.12 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 21.52 million for the year ended 31 March, 2018 as considered in the consolidated Ind AS financial statements, in respect of 2 associates, whose financial statements/

financial information have not been audited by us. These financial statements/financial informationhave been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiariesand associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiariesand associates is based solely on the reports of the other auditors.

(b) We did not audit the financial statements/financial information of 5 subsidiaries, whose financial statements/ financial information reflect total assets of Rs. 973.28 millionas at 31 March, 2018, total revenues of Rs. 494.05 million and net cash inflows amounting to Rs. 40.47 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net lossof Rs. 27.42 million for the year ended 31 March, 2018, as considered in the consolidated Ind AS financial statements and in respect of 1 associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associateis based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates,companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2018 taken on record by the Board of Directors of the Parent, the reports of the statutory auditors of its subsidiaries and associates,companies incorporated in India, none of the directors of the Group companies and its associates, companies incorporated in India, is disqualified as on 31 March, 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A", which is based on the auditor's reportsof the Parent, subsidiaries and associates, companies incorporated in Indiato whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group andits associates. Refer Note 29(b) to the consolidated Ind AS financial statements.

ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts. Refer Note 46 to the consolidated Ind AS financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection

Fund by the Parent, its subsidiaries and its associates, companies incorporated in India. Refer Note 48 to the consolidated Ind AS financial statements.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

Place: New Delhi
Date: 18 May, 2018

**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT**
**(Referred to in paragraph (f)under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2018, we have audited the internal financial controls over financial reporting of **DEN NETWORKS LIMITED** (hereinafter referred to as "the Holding Company"/"Parent") and its 111 subsidiary companies and 2 associates, which are companies incorporated in India, as of that date.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its associates, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies andan associates, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associates, which are companies incorporated in India.

**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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies and associates which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 110 subsidiary companies and 2 associates, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

Place: New Delhi
Date: 18 May, 2018

# CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2018

| Particulars | Note No. | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) (Restated) (See note 50) | As at 01.04.2016 (Rs. in million) (Restated) (See note 50) |
|---|---|---|---|---|
| **A. ASSETS** | | | | |
| **1. Non-current assets** | | | | |
| (a) Property, plant and equipment | 3A | 10,076.21 | 11,211.69 | 12,051.04 |
| (b) Capital work-in-progress | 3A | 503.99 | 454.10 | 1,288.20 |
| (c) Goodwill on consolidation | 37 | 1,645.90 | 1,623.80 | 1,638.04 |
| (d) Other intangible assets | 3B | 135.58 | 151.39 | 129.71 |
| (e) Financial assets | | | | |
| (i) Investments | 4 | 738.91 | 744.60 | 774.18 |
| (ii) Other financial assets | 5 | 382.80 | 162.20 | 234.98 |
| (f) Non current tax assets (net) | 6 | 864.70 | 1,203.98 | 1,284.16 |
| (g) Deferred tax assets (net) | 28(C) | 929.75 | 759.15 | 752.84 |
| (h) Other non-current assets | 8 | 352.60 | 390.89 | 277.93 |
| **Total non-current assets** | | **15,630.44** | **16,701.80** | **18,431.08** |
| **2. Current assets** | | | | |
| (a) Financial assets | | | | |
| (i) Other investments | 9 | 529.84 | 266.79 | 357.28 |
| (ii) Trade receivables | 10 | 3,022.97 | 2,346.60 | 2,529.37 |
| (iii) Cash and cash equivalents | 11 | 1,509.02 | 868.00 | 1,605.08 |
| (iv) Bank balances other than cash and cash equivalents | 12 | 1,675.04 | 2,391.40 | 3,535.51 |
| (v) Loans | 7 | 360.92 | 700.60 | 731.12 |
| (vi) Other financial assets | 5 | 420.60 | 217.64 | 286.46 |
| (b) Other current assets | 8 | 423.75 | 578.38 | 788.71 |
| **Total current assets** | | **7,942.14** | **7,369.41** | **9,833.53** |
| **Total assets** | | **23,572.58** | **24,071.21** | **28,264.61** |
| **B. EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| (a) Equity share capital | 13 | 1,953.18 | 1,935.68 | 1,777.42 |
| (b) Other equity | 14 | 5,906.46 | 6,196.22 | 6,917.64 |
| **Equity attributable to owners of the Company** | | **7,859.64** | **8,131.90** | **8,695.06** |
| Non-controlling interests | 56 | 1,039.41 | 896.40 | 705.72 |
| **Total equity** | | **8,899.05** | **9,028.30** | **9,400.78** |
| **Liabilities** | | | | |
| **1. Non-current liabilities** | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 15 | 3,141.15 | 1,879.70 | 3,277.06 |
| (ii) Other financial liabilities | 19 | 4.00 | 5.50 | 3.21 |
| (b) Provisions | 16 | 92.94 | 88.80 | 82.00 |
| (c) Deferred tax liabilities (net) | 28(C) | 0.75 | 0.60 | 3.16 |
| (d) Other non-current liabilities | 20 | 3,532.52 | 3,915.27 | 3,897.48 |
| **Total non-current liabilities** | | **6,771.36** | **5,889.87** | **7,262.91** |

| Particulars | Note No. | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **2. Current liabilities** | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 17 | 1,050.29 | 1,227.70 | 2,853.29 |
| (ii) Trade payables | 18 | 3,454.04 | 3,304.55 | 2,821.53 |
| (iii) Other financial liabilities | 19 | 1,689.81 | 2,737.85 | 3,975.30 |
| (b) Provisions | 16 | 49.06 | 51.52 | 52.52 |
| (c) Current tax liabilities (net) | 21 | 24.63 | 74.90 | 138.89 |
| (d) Other current liabilities | 20 | 1,634.34 | 1,756.52 | 1,759.39 |
| **Total current liabilities** | | **7,902.17** | **9,153.04** | **11,600.92** |
| **Total liabilities** | | **14,673.53** | **15,042.91** | **18,863.83** |
| **Total equity and liabilities** | | **23,572.58** | **24,071.21** | **28,264.61** |
| See accompanying notes to the Consolidated Ind AS Financial Statements | 1 to 59 | | | |

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

New Delhi
18 May, 2018

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

**Sd/-**
**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS
## FOR THE YEAR ENDED 31 MARCH, 2018

| Particulars | | Note No. | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) (Restated) (See note 50) |
|---|---|---|---|---|
| **1.** | **Income** | | | |
| | (a) Revenue from operations | 22 | 12,851.01 | 11,573.40 |
| | (b) Other income | 23 | 298.80 | 413.30 |
| **2.** | **Total income** | | **13,149.81** | **11,986.70** |
| **3.** | **Expenses** | | | |
| | (a) Content cost | | 5,398.00 | 4,732.79 |
| | (b) Placement fees | | 462.10 | 501.99 |
| | (c) Employee benefits expense | 24 | 1,079.90 | 1,233.69 |
| | (d) Finance costs | 25 | 660.51 | 651.62 |
| | (e) Depreciation and amortisation expense | 3C | 2,485.90 | 2,761.00 |
| | (f) Other expenses | 26 | 3,127.93 | 3,316.80 |
| **4.** | **Total expenses** | | **13,214.34** | **13,197.89** |
| **5.** | **Profit /(Loss) before exceptional items and tax expense (2-4)** | | **(64.53)** | **(1,211.19)** |
| 6. | Exceptional items | 27 | 1.11 | 306.81 |
| 7. | Share of profit / (loss) of associates | 54 | (5.90) | (29.71) |
| 8. | Share of profit / (loss) of joint venture | | - | - |
| **9.** | **Profit/(Loss) before tax (5-6+7+8)** | | **(71.54)** | **(1,547.71)** |
| **10.** | **Tax expense** | | | |
| | (a) Current tax | 28A(a) | 271.30 | 321.79 |
| | (b) Deferred tax | 28A(b) | (171.65) | 8.10 |
| **11.** | **Total tax expense** | | **99.65** | **329.89** |
| **12.** | **Profit/(Loss) after tax (9-11)** | | **(171.19)** | **(1,877.60)** |
| **13.** | **Other comprehensive income** | | | |
| | (i) Items that will not be reclassified to profit or loss: | | | |
| | (a) Remeasurement of defined benefit obligations | 34 | 4.40 | 4.33 |
| | (b) Share of other comprehensive income in associates, to the extent that may be reclassified to profit or loss | | 0.21 | 0.13 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | (1.20) | 0.77 |
| **14.** | **Total other comprehensive income** | | **3.41** | **5.23** |
| **15.** | **Total comprehensive income/(loss) for the year (12+14)** | | **(167.78)** | **(1,872.37)** |
| **16.** | **Profit/(Loss) for the year attributable to :** | | | |
| | - Owners of the Company | | (344.10) | (2,083.74) |
| | - Non-controlling interests | 55 | 172.91 | 206.14 |
| **17.** | **Other comprehensive income for the year :** | | | |
| | - Owners of the Company | | 4.21 | 5.49 |
| | - Non-controlling interests | 55 | (0.80) | (0.26) |
| **18.** | **Total comprehensive income /(loss) for the year :** | | | |
| | - Owners of the Company | | (339.89) | (2,078.25) |
| | - Non-controlling interests | 55 | 172.11 | 205.88 |
| **19.** | **Earnings per equity share (EPS)** | 34 | | |
| | (Face value of Rs. 10 per share) | | | |
| | Basic (in Rs.) | | (1.77) | (11.28) |
| | Diluted (in Rs.) | | (1.77) | (11.28) |
| | See accompanying notes to the consolidated Ind AS Financial Statements | 1 to 59 | | |

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

New Delhi
18 May, 2018

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

**Sd/-**
**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) (Restated) (See note 50) |
|---|---|---|---|
| **A.** | **Cash flow from operating activities** | | |
| | Profit /(Loss) after tax | (171.19) | (1,877.60) |
| | Adjustments for : | | |
| | Liabilities/ excess provisions written back (net) | (268.76) | (213.41) |
| | Interest income earned on financial assets that are not designated as at fair value through profit or loss | (197.76) | (250.59) |
| | Interest on income tax refund | (28.09) | (80.92) |
| | Dividend income from current investments in mutual funds | - | (0.05) |
| | Net gain on foreign currency transactions and translation | (23.97) | (45.24) |
| | Net gain on sale of current investments (other than non trade and unquoted) | (27.06) | (32.38) |
| | Net gain on sale of non - current investments | (6.40) | - |
| | Net gain on sale of property, plant and equipment | (15.52) | - |
| | Share-based payments to employees | 61.23 | 107.02 |
| | Finance costs | 660.51 | 651.62 |
| | Depreciation and amortisation expense | 2,485.90 | 2,761.00 |
| | Allowance on trade receivables and advances | 443.56 | 370.70 |
| | Provision for capital-work-in-progress | - | 19.53 |
| | Loss on sale of property, plant and equipment (net) | - | 2.86 |
| | Provision for impairment of goodwill on consolidation and intangible assets (brand) | - | 250.18 |
| | Income tax expense recognised in profit or loss | 99.65 | 329.89 |
| | **Operating profit before working capital changes** | **3,012.10** | **1,992.61** |
| | Changes in working capital: | | |
| | Adjustments for (increase)/ decrease in operating assets: | | |
| | Trade receivables | (1,119.13) | (155.60) |
| | Other financial assets - current | (66.20) | 32.19 |
| | Other financial assets - non-current | (25.19) | 24.44 |
| | Other current assets | 157.12 | 258.00 |
| | Other non-current assets | 62.04 | (126.70) |
| | Adjustments for increase / (decrease) in operating liabilities: | | |
| | Trade payables | 421.64 | 633.85 |
| | Other financial liabilities - current | (71.94) | (347.93) |
| | Other financial liabilities - non-current | (1.50) | 2.29 |
| | Provisions - current | (2.46) | (2.51) |
| | Provisions - non current | 7.55 | 9.11 |
| | Other current liabilities | (162.63) | (18.34) |
| | Other non-current liabilities | (382.75) | 17.79 |
| | **Cash generated from operations** | **1,828.65** | **2,319.20** |
| | Net income tax (paid) / refunds | 17.71 | (297.75) |
| | **Net cash flow from operating activities (A)** | **1,846.36** | **2,021.45** |
| **B.** | **Cash flow from investing activities** | | |
| | Capital expenditure on property, plant and equipment including capital advances | (1,570.27) | (1,928.44) |
| | Proceeds from sale of property, plant and equipment | 48.66 | 261.53 |
| | Bank balances not considered as Cash and cash equivalents | | |
| | - Placed | 590.25 | 1,144.11 |
| | Current investments not considered as Cash and cash equivalents: | | |
| | - Purchased | (950.00) | (2,870.57) |
| | - Proceeds from sale | 714.01 | 2,993.44 |
| | Increase/(Decrease) in goodwill on consolidation from purchase of non-current investments | (22.10) | 33.95 |
| | Purchase/acquisition of non-current investments: | | |
| | - Associates | - | (104.50) |
| | - Joint ventures | - | (60.00) |

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

| | Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) (Restated) (See note 50) |
|---|---|---|---|---|
| | Proceeds from disposal of non-current investments | | | |
| | - Associates | | 6.40 | 80.00 |
| | Dividend on | | | |
| | - Current investments | | - | 0.05 |
| | Loans | | | |
| | - Given | | - | (161.97) |
| | - Realised | | 339.68 | 192.49 |
| | Advance given for investments | | (83.09) | 28.35 |
| | Interest received | | 99.77 | 359.15 |
| | **Net cash used in investing activities** | **(B)** | **(826.69)** | **(32.41)** |
| **C.** | **Cash flow from financing activities** | | | |
| | Proceeds from issue of equity shares | | 17.50 | 1,424.34 |
| | Share issue expenses | | - | (16.27) |
| | Purchase of non-controlling interests | | - | 15.46 |
| | Borrowings- non-current | | | |
| | - Proceeds | | 4,458.64 | 1,889.51 |
| | - Repayments | | (2,850.21) | (3,326.86) |
| | Redemption of preference shares | | (17.01) | - |
| | Borrowings- current | | | |
| | - Proceeds | | 1,715.95 | 294.24 |
| | - Repayments | | (3,056.68) | (2,377.29) |
| | Finance costs | | (677.82) | (677.10) |
| | **Net cash used in financing activities** | **(C)** | **(409.63)** | **(2,773.97)** |
| | Net increase/ (decrease) in cash and cash equivalents | **(A+B+C)** | 610.04 | (784.93) |
| | Cash and cash equivalents as at the beginning of the year | | 868.00 | 1,605.08 |
| | Cash and cash equivalents on acquisition of subsidiary during the year | | 30.98 | 47.85 |
| | **Cash and cash equivalents as at the end of the year (See note 11)*** | | **1,509.02** | **868.00** |
| | *Comprises: | | | |
| | a. Cash on hand | | 125.99 | 78.76 |
| | b. Cheques on hand | | 101.91 | 1.73 |
| | c. Balance with scheduled banks | | | |
| | i. in current accounts | | 1,240.09 | 632.54 |
| | ii. in deposit accounts | | | |
| | -original maturity of 3 months or less | | 41.03 | 154.97 |
| | | | **1,509.02** | **868.00** |

See accompanying notes to the Consolidated Ind AS Financial Statements 1 to 59

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

New Delhi
18 May, 2018

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

**Sd/-**
**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 31 MARCH, 2018

### a. Equity share capital

(Rs. in million)

| Particulars | Amount |
|---|---|
| **Balance at 1 April, 2016** | **1,777.42** |
| Changes in equity share capital during the year | |
| -Issue of equity shares [See Note 43] | 158.26 |
| **Balance at 31 March, 2017** | **1,935.68** |
| Changes in equity share capital during the year | |
| -Issue of equity shares [See Note 40] | 17.50 |
| **Balance at 31 March, 2018** | **1,953.18** |

### b. Other equity

(Rs. in million)

| Particulars | Reserves and Surplus | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Securities premium | General reserve | Equity-settled employee benefits reserve | Retained earnings | Attributable to owners of the Parent | Non-controlling interests | |
| **Balance at 1 April, 2016 (Restated) (See note 50)** | **15,127.09** | **216.94** | **61.22** | **(8,487.61)** | **6,917.64** | **705.72** | **7,623.36** |
| Profit/(Loss) for the year | - | - | - | (2,083.74) | (2,083.74) | 206.14 | (1,877.60) |
| Other comprehensive income for the year | - | - | - | 5.49 | 5.49 | (0.26) | 5.23 |
| **Total comprehensive income/(loss) for the year** | **-** | **-** | **-** | **(2,078.25)** | **(2,078.25)** | **205.88** | **(1,872.37)** |
| Premium on shares issued during the year (See note 43) | 1,266.08 | - | - | - | 1,266.08 | - | 1,266.08 |
| Share issue expenses | (16.27) | - | - | - | (16.27) | - | (16.27) |
| Share-based payments to employees (See note 24) | - | - | 107.02 | - | 107.02 | - | 107.02 |
| Non-controlling interests arising on the acquisition of subsidiaries and additional stake in subsidiaries | - | - | - | - | - | (15.20) | (15.20) |
| **Balance at 31 March, 2017 (Restated) (See note 50)** | **16,376.90** | **216.94** | **168.24** | **(10,565.86)** | **6,196.22** | **896.40** | **7,092.62** |
| Profit/(Loss) for the year | - | - | - | (344.10) | (344.10) | 172.91 | (171.19) |
| Other comprehensive income for the year | - | - | - | 4.21 | 4.21 | (0.80) | 3.41 |
| **Total comprehensive income/(loss) for the year** | **-** | **-** | **-** | **(339.89)** | **(339.89)** | **172.11** | **(167.78)** |
| Premium on shares issued during the year (See note 40) | 139.34 | - | (139.34) | - | - | - | - |
| Dividend distribution tax | - | - | - | (11.10) | (11.10) | - | (11.10) |
| Share-based payments to employees (See note 24) | - | - | 61.23 | - | 61.23 | - | 61.23 |
| Non-controlling interests arising on the acquisition of subsidiaries and additional stake in subsidiaries | - | - | - | - | - | (29.10) | (29.10) |
| **Balance at 31 March, 2018** | **16,516.24** | **216.94** | **90.13** | **(10,916.85)** | **5,906.46** | **1,039.41** | **6,945.87** |

**In terms of our report of even date attached**
For **Deloitte Haskins & Sells**
Chartered Accountants

**Sd/-**
**Jitendra Agarwal**
Partner
(Membership No. 87104)

New Delhi
18 May, 2018

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman & Managing Director
DIN : 00015459

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

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**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

New Delhi
18 May, 2018

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**1. Corporate information**

DEN NETWORKS LIMITED (hereinafter referred to as 'the Company' or 'DEN') was incorporated in India on 10 July, 2007 and is primarily engaged in distribution of television channels through digital cable distribution network and provision of broadband services. The Company is having its registered office at 236, Okhla Industrial Area, Phase III, New Delhi - 110020.

The Company changed its status from a Private Limited Company to a Public Limited Company on 15 April, 2008 thereby changing its name to DEN Digital Entertainment Networks Limited. Subsequently, the Company changed its name to DEN Networks Limited on 27 June, 2008. The equity shares of the Company are listed on two of the stock exchanges in India i.e. NSE and BSE.

During the financial year 2013-14, the Company had raised funds of Rs. 9,608.22 million by way of Qualified Institutional Placement (QIP) and Preferential Issue of equity shares. Further, during the previous year, the Company had raised Rs. 1,424.34 million by way of Preferential Issue of equity shares.

These Consolidated Ind AS Financial Statements comprise the consolidation of DEN NETWORKS LIMITED (the Parent), its wholly owned and other subsidiaries (together the 'Group'). These subsidiaries and associates are mainly engaged in the business of distribution of cable television channels, internet and other related business.

**2 Significant accounting policies**

**2.01 Basis of preparation**

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

The Consolidated Ind AS financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

Effective 1 April, 2016, the Company had adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with 1 April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(ii) Basis of preparation and presentation**

The Consolidated Ind AS Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

**2.02 Basis of consolidation**

The Consolidated Ind AS Financials Statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of

subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control, over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of an investment in an associate or a joint venture.

**2.03 Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.04) less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The recoverable amount of the cash-generating unit is less than its carry amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture described at note 2.04 below.

**2.04 Business Combination**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and liability assumed are recognised at the fair value, except that:

1) deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

2) liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

3) assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase.

If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

**2.05 Cash and cash equivalents**

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.

**2.06 Cash flow statement**

Cash flows are reported using indirect method, whereby Profit/(loss) after tax reported under the Consolidated Statement of Profit and 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 Group are segregated based on available information.

**2.07 Property, plant and equipment**

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

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

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

Useful lives of tangible assets

Tangible assets are amortised over their estimated useful life

on straight line method as follows:

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

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

Transition to Ind AS

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

**2.08 Intangible assets**

Intangible assets acquired separately

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

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

Derecognition of intangible assets

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

Useful lives of intangible assets

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

| | | |
|---|---|---|
| a. | 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 |

Transition to Ind AS

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

**2.09 Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Group 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 Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed

the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**2.10 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

**i. Rendering of services**

1. Service revenue comprises subscription income from digital and analog subscribers, placement of channels, advertisement revenue, fees for rendering management, technical and consultancy services and other related services. Income from services is recognised upon completion of services as per the terms of contracts with the customers. Period based services are accrued and recognised pro-rata over the contractual period.
2. Activation fees on Set top boxes (STBs) is deferred and recognised over the period of customer relationship on activation of boxes.
3. Amounts billed for services in accordance with contractual terms but where revenue is not recognised, have been classified as advance billing and disclosed under current liabilities.
4. Revenue from prepaid internet service plans, which are active at the end of accounting period, is recognised on time proportion basis.
5. Revenue from tele-marketing of products is recognised on delivery of the marketed products. The revenue is recognised net of estimated amount of return of marketed products based on historical experience.

**ii. Sale of goods (equipment)**

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

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

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

c) the amount of revenue can be measured reliably

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

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

**2.11 Other income**

Dividend income and interest income

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

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

**2.12 Share-based payment arrangements**

Share-based payment transactions of the Group

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 36.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

**2.13 Foreign Currencies**

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

In preparing the financial statements of the Group, 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 on monetary items are recognised in Profit or Loss in the period in which they arise.

**2.14 Financial instruments**

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

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

**Investment in joint ventures and associates**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The investment in joint ventures and associates are accounted for using equity method.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

**Financial assets**

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

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

The results and assets and liabilities of associates or joint ventures are incorporated in these Consolidated Ind AS Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value

in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 Impairment of Assets to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109 Financial Instruments. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's Consolidated Ind AS Financial Statements only to the extent of interests in the associate or joint venture that are not related to the Group.

**Financial assets**

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

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

**Classification of financial assets**

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

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

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

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

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

All other financial assets are subsequently measured at fair value.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs

and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

**Investments in equity instruments at FVTOCI**

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

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

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

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

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

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

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

**Impairment of financial assets**

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables and other contractual rights to receive cash or other financial asset.

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

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

**Derecognition of financial assets**

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

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

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of

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

**Foreign exchange gains and losses**

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

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

**2.15 Financial liabilities and equity instruments**

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

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

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

a) Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

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

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised

in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

b) Financial liabilities subsequently measured at amortised cost

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

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

c) Foreign exchange gains and losses

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

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

d) Derecognition of financial liabilities

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

**2.16 Employee benefit costs**

**Retirement benefits costs and termination benefits**

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

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

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. remeasurement

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

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

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

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

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

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

Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Para 70 of Ind AS 19 Employee Benefits for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Para 70 of Ind AS 19 Employee Benefits.

**2.17 Segment information**

The Group determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the consolidated Ind AS financial statements are consistently applied to record revenue and expenditure in individual segments.

**2.18 Leases**

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

**The Group as lessor:**

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

**The Group as lessee:**

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

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

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

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

**2.19 Borrowing costs**

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

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

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

**2.20 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional 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 exceptional 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 employee share options and bonus shares, if any, as appropriate.

**2.21 Taxation**

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

Current tax

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

Deferred tax

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

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

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

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

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**2.22 Provisions**

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

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

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

**2.23.1 Onerous contracts**

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

**2.23.2 Restructurings**

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

**2.23.3 Contingent liabilities acquired in a business combination**

Contingent liabilities (if any) acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation recognised in accordance with Ind AS 18 Revenue.

**2.23 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 Consolidated Statement of Profit and Loss.

**2.24 Insurance claims**

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

**2.25 GST input credit**

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

**2.26 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 Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Ind AS Financial Statements.

Contingent liabilities

Assessment of whether outflow embodying economic benefits is probable, possible or remote. (See note 29)

Significant influence over DEN ADN Network Private Limited

DEN ADN Network Private Limited has been designated as associate of the Group even though the Group has 51% of the ownership interest and 51% of the voting rights in these companies. The directors of the Parent assessed whether or not the Group has control over DEN ADN Network Private Limited based on whether the Group has the practical ability to direct the relevant activities of DEN ADN Network Private Limited unilaterally. The directors have, based on the terms of the shareholders' agreement, concluded that the Group exercises significant influence over DEN ADN Network Private Limited.

Significant influence over CCN DEN Network Private Limited

CCN DEN Network Private Limited has been designated as associate of the Group even though the Group has 51% of the ownership interest and 51% of the voting rights in these companies. The directors of the Parent assessed whether or not the Group has control over CCN DEN Network Private Limited based on whether the Group has the practical ability to direct the relevant activities of CCN DEN Network Private Limited unilaterally. The directors have, based on the terms of the shareholders' agreement, concluded that the Group exercises significant influence over CCN DEN Network Private Limited.

Significant influence over Den Satellite Network Private Limited

Den Satellite Network Private Limited has been designated as associate of the Group even though the Group has 50% of the ownership interest and 50% of the voting rights in these companies. The directors of the Parent assessed whether or not the Group has control over Den Satellite Network Private Limited based on whether the Group has the practical ability to direct the relevant activities of Den Satellite Network Private Limited unilaterally. The directors have, based on the terms of the shareholders' agreement, concluded that the Group exercises significant influence over Den Satellite Network Private Limited.

**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 (see note 2.07)

The Group 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 (see note 2.14)

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 (see note 33).

Revenue recognition (see note 2.10)

Impairment testing of investments (see note 2.14)

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

**2.27 Operating Cycle**

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

**2.28 Recent accounting pronouncements**

As set out below, amendments to standards are effective for annual periods beginning on or after 1 April, 2018 and have not been applied in preparing these consolidated Ind AS financial statements.

**Amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates**

The amendment to Ind AS 21 applies when a company pays or receives consideration denominated or priced in foreign currency and recognises a non- monetary prepayment asset or deferred income liability before recognising the related item at a later date.

The amendment is effective for accounting periods beginning on or after 1 April, 2018. The Group is evaluating the requirements of amendment to Ind AS 21 and its effect on the consolidated Ind AS financial statements.

**Introduction of Ind AS 115, Revenue from Contracts with Customers**

Ministry of Corporate affairs has notified Ind AS 115 'Revenue from Contracts with customers', which is effective from 1 April, 2018. The new standard outlines a single comprehensive control-based model for revenue recognition and supersedes current revenue recognition guidance based on risks and rewards. The Group is evaluating the requirements of Ind AS 115 and its effect of the consolidated Ind AS financial statements.

**Amendments to Ind AS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice**

The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively. The Group is evaluating the requirements of amendments to Ind AS 28 and its effect on the consolidated Ind AS financial statements.

**Amendments to Ind AS 12 - Recognition of deferred tax assets for unrealised losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 April, 2018. The Group

is evaluating the requirements of amendment to Ind AS 12 and its effect on the consolidated Ind AS financial statements.

**Amendments to Ind 112 - Disclosure of interests in other entities: Clarification of the scope of disclosure requirements in Ind AS 112**

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale. The Group is evaluating the requirements of amendment to Ind AS 112 and its effect on the consolidated Ind AS financial statements.

**2.29 The following subsidiary companies, associates and joint ventures have been considered in the preparation of the Consolidated Ind AS Financial Statements:**

**i. Wholly owned subsidiaries**

| S. No. | Name of the Company |
|---|---|
| 1 | Amogh Broad Band Services Private Limited |
| 2 | Den Futuristic Cable Networks Private Limited |
| 3 | DEN BROADBAND PRIVATE LIMITED (formerly SKY-NET CABLE NETWORK PRIVATE LIMITED) |

**ii. Subsidiaries with 51% shareholding**

| S. No. | Name of the Company |
|---|---|
| 1 | Adhunik Cable Network Private Limited |
| 2 | Ambika Den Cable Network Private Limited |
| 3 | Antique Communications Private Limited |
| 4 | Augment Cable Network Private Limited |
| 5 | Bali Den Cable Network Private Limited |
| 6 | Big Den Entertainment Private Limited |
| 7 | Blossom Entertainment Private Limited |
| 8 | Cab-i-Net Communications Private Limited |
| 9 | Crystal Vision Media Private Limited |
| 10 | Den A.F. Communication Private Limited |
| 11 | Den Aman Entertainment Private Limited |
| 12 | Den Ashu Cable Private Limited |
| 13 | DEN BCN Suncity Network Private Limited |
| 14 | Den Bindra Network Private Limited |
| 15 | Den Budaun Cable Network Private Limited |
| 16 | Den Citi Channel Private Limited |
| 17 | Den Classic Cable TV Services Private Limited |
| 18 | DEN Crystal Vision Network Private Limited |
| 19 | Den Digital Cable Network Private Limited (upto 5 March, 2017) |
| 20 | Den Discovery Digital Network Private Limited |
| 21 | Den Elgee Cable Vision Private Limited |
| 22 | Den Enjoy Cable Networks Private Limited |
| 23 | Den F K Cable Tv Network Private Limited |
| 24 | Den Fateh Marketing Private Limited |
| 25 | DEN Harsh Mann Cable Network Private Limited |
| 26 | Den Jai Ambey Vision Cable Private Limited |
| 27 | Den Kashi Cable Network Private Limited |
| 28 | Den Kattakada Telecasting and Cable Services Private Limited |
| 29 | Den Maa Sharda Vision Cable Networks Private Limited |
| 30 | Den Malabar Cable Vision Private Limited |
| 31 | DEN Malayalam Telenet Private Limited |
| 32 | Den MCN Cable Network Private Limited |
| 33 | Den Mod Max Cable Network Private Limited |
| 34 | Den Nashik City Cable Network Private Limited |
| 35 | Mahadev Den Cable Network Private Limited |
| 36 | VBS Digital Distribution Network Private Limited (w.e.f 5 January, 2018) |
| 37 | Den Pradeep Cable Network Private Limited |
| 38 | Den Premium Multilink Cable Network Private Limited |
| 39 | Den Prince Network Private Limited |
| 40 | Den Rajkot City Communication Private Limited (formerly Rajkot City Communication Private Limited) |
| 41 | Den Sahyog Cable Network Private Limited |
| 42 | Den Sariga Communications Private Limited |
| 43 | Den Satellite Cable TV Network Private Limited |
| 44 | Den Steel City Cable Network Private Limited |
| 45 | Den Supreme Satellite Vision Private Limited |
| 46 | DEN Varun Cable Network Private Limited |
| 47 | Den-Manoranjan Satellite Private Limited |
| 48 | Desire Cable Network Private Limited |
| 49 | Devine Cable Network Private Limited |
| 50 | Disk Cable Network Private Limited |
| 51 | Drashti Cable Network Private Limited |
| 52 | Ekta Entertainment Network Private Limited |
| 53 | Fab Den Network Private Limited |
| 54 | Fortune (Baroda) Network Private Limited |
| 55 | Galaxy Den Media & Entertainment Private Limited |
| 56 | Gemini Cable Network Private Limited |
| 57 | Glimpse Communications Private Limited |
| 58 | Indradhanush Cable Network Private Limited |
| 59 | Jhankar Cable Network Private Limited |
| 60 | Libra Cable Network Private Limited |
| 61 | Mahadev Den Cable Network Private Limited |
| 62 | Mahavir Den Entertainment Private Limited |
| 63 | Marble Cable Network Private Limited |
| 64 | Meerut Cable Network Private Limited |
| 65 | Multi Channel Cable Network Private Limited |
| 66 | Multi Star Cable Network Private Limited |
| 67 | Multitrack Cable Network Private Limited |
| 68 | Nectar Entertainment Private Limited |
| 69 | Pee Cee Cable Network Private Limited |
| 70 | Radiant Satellite (India) Private Limited |
| 71 | Rose Entertainment Private Limited |
| 72 | Sanmati Den Cable TV Network Private Limited |
| 73 | Sanmati Entertainment Private Limited |
| 74 | Shree Siddhivinayak Cable Network Private Limited |
| 75 | Silverline Television Network Private Limited |
| 76 | Sree Gokulam Starnet Communication Private Limited |
| 77 | Trident Entertainment Private Limited |
| 78 | United Cable Network (Digital) Private Limited |
| 79 | Victor Cable TV Network Private Limited |
| 80 | VM Magic Entertainment Private Limited |

**iii. Other subsidiaries**

| S. No. | Name of the Company | 31.03.2018 | 31.03.2017 |
|---|---|---|---|
| 1 | Eminent Cable Network Private Limited | 56% | 56% |
| 2 | DEN Krishna Cable TV Network Private Limited | 74% | 74% |
| 3 | Den Radiant Satelite Cable Network Private Limited | 65% | 65% |
| 4 | DEN Pawan Cable Network Private Limited | 63% | 63% |
| 5 | Den Mahendra Satellite Private Limited | 60% | 60% |
| 6 | DEN Ambey Cable Networks Private Limited | 61% | 61% |
| 7 | Mansion Cable Network Private Limited | 66% | 66% |
| 8 | Den Digital Cable Network Private Limited | 89% | 51% |

**iv. Step down subsidiaries**

| S. No. | Name of the Company | 31.03.2018 | 31.03.2017 |
|---|---|---|---|
| 1 | Den Faction Communication System Private Limited | 51% | 51% |
| 2 | Den Saya Channel Network Private Limited | 51% | 51% |
| 3 | Fun Cable Network Private Limited | 51% | 51% |

| S. No. | Name of the Company | 31.03.2018 | 31.03.2017 |
|---|---|---|---|
| | **Subsidiaries of Den Ambey Cable Networks Private Limited** | | |
| 1 | Den Ambey Farukabad Cable Network Private Limited | 100% | 100% |
| 2 | Den Ambey Jhansi Cable Network Private Limited | 100% | 100% |
| 3 | DEN Prayag Cable Networks Private Limited | 75% | 75% |
| 4 | Melody Cable Network Private Limited | 60% | 60% |
| 5 | Den Ambey Citi Cable Network Private Limited | 51% | 51% |
| 6 | Den Deva Cable Network Private Limited | 51% | 51% |
| 7 | Star Channel Den Network Private Limited | 51% | 51% |
| 8 | Saturn Digital Cable Private Limited | 51% | 51% |
| 9 | Portrait Cable Network Private Limited | 51% | 51% |
| | **Subsidiaries of Den Enjoy Cable Networks Private Limited** | | |
| 1 | Den Enjoy Navaratan Network Private Limited | 51% | 51% |
| 2 | DEN Enjoy SBNM Cable Network Private Limited | 51% | 51% |
| | **Subsidiaries of Den Kashi Cable Network Private Limited** | | |
| 1 | Divya Drishti Den Network Private Limited | 51% | 51% |
| 2 | Kishna Den Cable Networks Private Limited | 51% | 51% |
| 3 | Bhadohi DEN Entertainment Private Limited | 51% | 51% |
| | **Subsidiary of Den Entertainment Network Private Limited** | | |
| 1 | Srishti Den Networks Private Limited (formerly Platinum Cable Tv Network Private Limited) | 51% | 51% |
| | **Subsidiary of DEN Aman Entertainment Private Limited** | | |
| 1 | Mountain Cable Network Private Limited | 51% | 51% |
| | **Subsidiary of DEN Malayalam Telenet Private Limited** | | |
| 1 | Den MTN Star Vision Cable Private Limited | 51% | 51% |
| | **Subsidiaries of Disk Cable Network Private Limited** | | |
| 1 | Den STN Television Network Private Limited | 51% | 51% |
| 2 | Maitri Cable Network Private Limited | 51% | 51% |
| | **Subsidiaries of Eminent Cable Network Private Limited** | | |
| 1 | Angel Cable Network Private Limited | 51% | 51% |
| 2 | ABC Cable Network Private Limited | 51% | 51% |

**v. Associate companies**

| S. No. | Name of the Company | 31.03.2018 | 31.03.2017 |
|---|---|---|---|
| 1 | DEN ADN Network Private Limited | | |
| 2 | CCN DEN Network Private Limited | | |
| 3 | Den Satellite Network Private Limited | | |

All the above entities are incorporated in India.

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**Note 3:**
**3A Property, plant and equipment**

**(Rs. in million)**

| | | | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|---|---|
| Carrying amounts of : | | | | | |
| a) | Leasehold improvements | | 19.33 | 18.10 | 8.82 |
| b) | Buildings | | 6.94 | 8.46 | 9.02 |
| c) | Plant and equipment | | | | |
| | i. | Headend and distribution equipment | 1,997.25 | 2,236.13 | 2,344.92 |
| | ii. | Set top boxes | 7,756.05 | 8,602.98 | 9,430.76 |
| | iii. | Modems and routers | 154.70 | 199.17 | 139.89 |
| | iv. | Computers | 30.26 | 35.50 | 26.22 |
| | v. | Office and other equipment | 87.81 | 79.70 | 56.96 |
| d) | Furniture and fixtures | | 11.93 | 14.64 | 11.74 |
| e) | Vehicles | | 11.94 | 17.01 | 22.71 |
| | | | **10,076.21** | **11,211.69** | **12,051.04** |
| Capital work-in-progress | | | 503.99 | 454.10 | 1,288.20 |
| | | | **10,580.20** | **11,665.79** | **13,339.24** |

| Particulars | Leasehold improvements | Buildings | Plant and equipment | | | | | Furniture and fixtures | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Headend and distribution equipment | Set top boxes | Modems and routers | Computers | Office and other equipment | | | |
| **Gross carrying amount** | | | | | | | | | | |
| Balance at 1 April, 2016 | 14.31 | 9.12 | 2,701.07 | 10,992.48 | 159.48 | 58.34 | 69.53 | 15.01 | 30.29 | 14,049.63 |
| Additions | 14.42 | - | 496.18 | 1,285.52 | 132.76 | 22.41 | 38.11 | 6.57 | 1.21 | 1,997.18 |
| Disposals | - | (0.45) | (128.69) | (49.49) | (4.05) | (0.52) | (2.48) | (0.55) | (0.09) | (186.32) |
| **Balance at 31 March, 2017** | **28.73** | **8.67** | **3,068.56** | **12,228.51** | **288.19** | **80.23** | **105.16** | **21.03** | **31.41** | **15,860.49** |
| Additions | 5.83 | | 262.61 | 982.22 | 30.30 | 4.78 | 29.31 | 2.26 | 2.79 | 1,320.10 |
| Disposals | (5.12) | (1.48) | (657.66) | (630.48) | (1.48) | (31.19) | (28.06) | (12.28) | (11.70) | (1,379.45) |
| **Balance at 31 March, 2018** | **29.44** | **7.19** | **2,673.51** | **12,580.25** | **317.01** | **53.82** | **106.41** | **11.01** | **22.50** | **15,801.14** |
| **Accumulated depreciation** | | | | | | | | | | |
| Balance at 1 April, 2016 | 5.49 | 0.10 | 356.15 | 1,561.72 | 19.59 | 32.12 | 12.57 | 3.27 | 7.58 | 1,998.59 |
| Depreciation expense | 5.14 | 0.11 | 485.75 | 2,110.80 | 73.48 | 13.07 | 13.08 | 3.14 | 6.85 | 2,711.42 |
| Elimination on disposals of assets | - | - | (9.47) | (46.99) | (4.05) | (0.46) | (0.19) | (0.02) | (0.03) | (61.21) |
| **Balance at 31 March, 2017** | **10.63** | **0.21** | **832.43** | **3,625.53** | **89.02** | **44.73** | **25.46** | **6.39** | **14.40** | **4,648.80** |
| Depreciation expense | 4.54 | 0.10 | 491.32 | 1,825.47 | 74.77 | 10.02 | 20.81 | 3.33 | 5.50 | 2,435.86 |
| Elimination on disposals of assets | (5.06) | (0.06) | (647.49) | (626.80) | (1.48) | (31.19) | (27.67) | (10.64) | (9.34) | (1,359.73) |
| **Balance at 31 March, 2018** | **10.11** | **0.25** | **676.26** | **4,824.20** | **162.31** | **23.56** | **18.60** | **(0.92)** | **10.56** | **5,724.93** |
| **Carrying amount** | | | | | | | | | | |
| Balance at 1 April, 2016 | 8.82 | 9.02 | 2,344.92 | 9,430.76 | 139.89 | 26.22 | 56.96 | 11.74 | 22.71 | 12,051.04 |
| Additions | 14.42 | - | 496.18 | 1,285.52 | 132.76 | 22.41 | 38.11 | 6.57 | 1.21 | 1,997.18 |
| Disposals | - | (0.45) | (119.22) | (2.50) | - | (0.06) | (2.29) | (0.53) | (0.06) | (125.11) |
| Depreciation expense | 5.14 | 0.11 | 485.75 | 2,110.80 | 73.48 | 13.07 | 13.08 | 3.14 | 6.85 | 2,711.42 |
| **Balance at 31 March, 2017** | **18.10** | **8.46** | **2,236.13** | **8,602.98** | **199.17** | **35.50** | **79.70** | **14.64** | **17.01** | **11,211.69** |
| Additions | 5.83 | - | 262.61 | 982.22 | 30.30 | 4.78 | 29.31 | 2.26 | 2.79 | 1,320.10 |
| Disposals | (0.06) | (1.42) | (10.17) | (3.68) | - | - | (0.39) | (1.64) | (2.36) | (19.72) |
| Depreciation expense | 4.54 | 0.10 | 491.32 | 1,825.47 | 74.77 | 10.02 | 20.81 | 3.33 | 5.50 | 2,435.86 |
| **Balance at 31 March, 2018** | **19.33** | **6.94** | **1,997.25** | **7,756.05** | **154.70** | **30.26** | **87.81** | **11.93** | **11.94** | **10,076.21** |

**Note:**
Property, plant and equipment with a carrying amount of Rs. 5,928.85 million (as at 31 March, 2017: Rs. 7,505.05 million; as at 1 April, 2016:

Rs. 7,803.70 million) has been pledged to secure term loans from banks under a mortgage (see note 15, note 17 and note 19). The Group is not permitted to pledge these assets as security for other borrowings or to sell them to another entity.

In addition, the Group's obligations under finance leases (see note 15 and note 19) are secured by the lessors' title to the leased assets, which have a carrying amount of Rs. 777.66 million (as at 31 March, 2017: Rs. 938.48 million; as at 1 April, 2016: Rs. 1,167.24 million).

### 3B Other intangible assets

(Rs. in million)

| | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| **Carring amounts of:** | | | |
| Distribution and network rights | 80.68 | 97.20 | 98.55 |
| Software | 53.67 | 53.35 | 29.83 |
| Licence fee for internet service | 0.46 | 0.55 | 0.73 |
| Brand | - | - | - |
| Non compete fees | 0.77 | 0.29 | 0.60 |
| | **135.58** | **151.39** | **129.71** |

| Particulars | Distribution and network rights | Software | Licence fee for internet service | Brand | Non compete fees | Total |
|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | |
| Balance at 1 April, 2016 | 147.70 | 36.94 | 0.73 | - | 0.73 | 186.10 |
| Additions | 48.98 | 38.95 | - | 78.49 | - | 166.42 |
| Disposals | (16.33) | - | (0.13) | - | (0.19) | (16.65) |
| **Balance at 31 March, 2017** | **180.35** | **75.89** | **0.60** | **78.49** | **0.54** | **335.87** |
| Additions | 17.19 | 16.01 | | | 1.03 | 34.23 |
| Disposals | - | - | - | - | - | - |
| **Balance at 31 March, 2018** | **197.54** | **91.90** | **0.60** | **78.49** | **1.57** | **370.10** |
| **Accumulated depreciation** | | | | | | |
| Balance at 1 April, 2016 | 49.15 | 7.11 | - | - | 0.13 | 56.39 |
| Amortisation expense | 34.00 | 15.43 | 0.05 | - | 0.10 | 49.58 |
| Impairment losses recognised in profit or loss | - | - | - | 78.49 | - | 78.49 |
| Disposals | - | - | - | - | (0.02) | (0.02) |
| **Balance at 31 March, 2017** | **83.15** | **22.54** | **0.05** | **78.49** | **0.21** | **184.44** |
| Amortisation expense | 33.71 | 15.69 | 0.09 | - | 0.55 | 50.04 |
| Impairment losses recognised in profit or loss | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - |
| **Balance at 31 March, 2018** | **116.86** | **38.23** | **0.14** | **78.49** | **0.76** | **234.48** |
| **Carrying amount** | | | | | | |
| Balance at 1 April, 2016 | 98.55 | 29.83 | 0.73 | - | 0.60 | 129.71 |
| Additions | 48.98 | 38.95 | - | 78.49 | - | 166.42 |
| Disposals | (16.33) | - | (0.13) | - | (0.21) | (16.67) |
| Amortisation expense | 34.00 | 15.43 | 0.05 | - | 0.10 | 49.58 |
| Impairment losses recognised in profit or loss | - | - | - | 78.49 | - | 78.49 |
| **Balance at 31 March, 2017** | **97.20** | **53.35** | **0.55** | **-** | **0.29** | **151.39** |
| Additions | 17.19 | 16.01 | - | - | 1.03 | 34.23 |
| Disposals | - | - | - | - | - | - |
| Amortisation expense | 33.71 | 15.69 | 0.09 | - | 0.55 | 50.04 |
| Impairment losses recognised in profit or loss | - | - | - | - | - | - |
| **Balance at 31 March, 2018** | **80.68** | **53.67** | **0.46** | **-** | **0.77** | **135.58** |

### 3C. Depreciation and amortisation expense

| | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a) | Depreciation expense (See note 3A) | 2,435.86 | 2,711.42 |
| b) | Amortisation expense (See note 3B) | 50.04 | 49.58 |
| **Total** | | **2,485.90** | **2,761.00** |

### 4. Investments

| Particulars | | | As at 31.03.2018 | | As at 31.03.2017 | | As at 01.04.2016 | |
|---|---|---|---|---|---|---|---|---|
| | | | Quantity | Amount (Rs. in million) | Quantity | Amount (Rs. in million) | Quantity | Amount (Rs. in million) |
| **a.** | **Unquoted investments in equity shares of associates (all fully paid) (See note 54)** | | | | | | | |
| | 1 | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) (Face value of Rs. 10 each) | - | - | 2,48,42,229 | - | 2,48,42,229 | - |
| | 2 | DEN ADN Network Private Limited (Face value of Rs. 10 each) | 19,38,000 | 50.51 | 19,38,000 | 50.01 | 19,38,000 | 44.31 |
| | 3 | CCN DEN Network Private Limited (Face value of Rs. 10 each) | 20,40,000 | 2.26 | 20,40,000 | 25.86 | 20,40,000 | 30.91 |
| | 4 | Den Satellite Network Private Limited (Face value of Rs. 10 each) | 50,295 | 686.14 | 50,295 | 668.73 | 50,295 | 698.96 |
| | | **Total aggregate unquoted investments** | | **738.91** | | **744.60** | | **774.18** |
| | | **Total investments carrying value (A)** | | **738.91** | | **744.60** | | **774.18** |
| | | **Aggregate carrying value of unquoted investments** | | 738.91 | | 744.60 | | 774.18 |
| | | **Aggregate amount of impairment in value of investments** | | - | | - | | - |
| **b.** | **Unquoted investments in equity shares of joint venture (all fully paid) (See note 55)** | | | | | | | |
| | 1 | Macro Commerce Private Limited (Face value of Rs. 10 each) | - | - | - | - | 54,44,444 | - |
| | | **Total aggregate unquoted investments** | | **-** | | **-** | | **-** |
| | | **Total investments carrying value (B)** | | **-** | | **-** | | **-** |
| | | **Aggregate carrying value of unquoted investments** | | **-** | | **-** | | **-** |
| | | **Aggregate amount of impairment in value of investments** | | **-** | | **-** | | **-** |
| | | **Grand Total (A+B)** | | **738.91** | | **744.60** | | **774.18** |

### 5. Other financial assets

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Non-current** | | | | |
| a. | Security deposits | 64.02 | 38.80 | 59.92 |
| b. | Advance for investments | 192.67 | 142.64 | 188.05 |
| | | 192.67 | 142.64 | 188.05 |

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| | Less: Impairment allowance for advance for investments | - | (60.63) | (77.69) |
| | | 192.67 | 82.01 | 110.36 |
| c. | Deposits with banks with more than 12 months maturity* | 126.11 | - | - |
| d. | Receivable on sale of property, plant and equipment | | | |
| | - from related parties [See note 35] | - | 12.74 | 43.28 |
| | - from others | - | 28.65 | 21.42 |
| **Total** | | **382.80** | **162.20** | **234.98** |
| **Current** | | | | |
| a. | Security deposits | 37.93 | 62.56 | 35.58 |
| b. | Unbilled revenue | | | |
| | - from related parties [See note 35] | - | 0.32 | - |
| | - from others | 224.68 | 22.07 | 47.74 |
| c. | Interest accrued but not due on fixed deposits | 45.66 | 83.77 | 123.08 |
| d. | Interest accrued but not due | | | |
| | - from related parties [See note 35] | 67.45 | 42.47 | 30.45 |
| | - from others | - | - | 0.35 |
| e. | Others | | | |
| | i. Receivable on sale of property, plant and equipment | | | |
| | -from others | 10.75 | 0.08 | 20.93 |
| | ii. Advances recoverable | | | |
| | - from related parties [See note 35] | 18.43 | 1.46 | 10.73 |
| | - from others | 15.70 | 4.91 | 17.60 |
| **Total** | | **420.60** | **217.64** | **286.46** |

### 6. Non-current tax assets (net)

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| i. | Advance tax including TDS recoverable | 2,006.70 | 1,453.68 | 1,423.86 |
| ii. | Less: Provision for income tax | (1,142.00) | (249.70) | (139.70) |
| **Total** | | **864.70** | **1,203.98** | **1,284.16** |

### 7. Loans

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Current** | | | | |
| a. | Loans to related parties - Unsecured, considered good [See note 35] | 251.44 | 256.44 | 448.93 |
| b. | Loans to employees - Unsecured, considered good | 2.04 | 1.75 | 1.97 |
| c. | Loans to others - Unsecured | | | |
| | - considered good | 107.44 | 442.41 | 280.22 |
| | - doubtful | 1.18 | 12.50 | - |
| | | **362.10** | **713.10** | **731.12** |
| Less: Impairment allowance for loans | | (1.18) | (12.50) | - |
| | | | | |
| **Total** | | **360.92** | **700.60** | **731.12** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**8. Other assets**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Non-current** | | | | |
| a. | Prepaid expenses | 19.72 | 4.27 | 26.26 |
| b. | Deposits against cases with (See note 29) | | | |
| | - Sales tax authority | 88.24 | 122.24 | 72.12 |
| | - Entertainment tax authorities | 114.36 | 117.52 | 105.52 |
| | - Entry tax authority | 12.65 | 14.15 | 24.85 |
| | - Custom duty authority | 89.94 | 89.94 | - |
| | | 305.19 | 343.85 | 202.49 |
| | Less: Impairment allowance | (10.00) | (10.00) | - |
| | | 295.19 | 333.85 | 202.49 |
| c. | Balance with government authorities | 13.94 | | |
| d. | Capital advances | 48.13 | 254.80 | 111.85 |
| | Less: Impairment allowance for capital advances | (24.38) | (202.03) | (62.67) |
| | | 23.75 | 52.77 | 49.18 |
| **Total** | | **352.60** | **390.89** | **277.93** |
| **Current** | | | | |
| a. | Prepaid expenses | 60.89 | 44.39 | 40.10 |
| b. | Balance with government authorities | 297.52 | 533.58 | 748.25 |
| c. | Others | | | |
| | - Supplier advances | 61.44 | - | - |
| | - Amount recoverable from DNL Employees Welfare Trust | 0.36 | 0.36 | 0.36 |
| | - Other advances | 9.41 | 0.05 | - |
| | | 71.21 | 0.41 | 0.36 |
| | Less: Impairment allowance for supplier advance | (5.87) | - | - |
| | | 65.34 | 0.41 | 0.36 |
| **Total** | | **423.75** | **578.38** | **788.71** |

**9 Other investments**

| Particulars | | As at 31.03.2018 | | As at 31.03.2017 | | As at 01.04.2016 | |
|---|---|---|---|---|---|---|---|
| | | No. of Units | (Rs. in million) | No. of Units | (Rs. in million) | No. of Units | (Rs. in million) |
| Investments in mutual funds - Unquoted | | | | | | | |
| **Carried at FVTPL** | | | | | | | |
| i. | Aditya Birla Sun Life Cash Plus - Growth | 3,64,757 | 101.49 | - | - | 14,71,676 | 357.28 |
| ii. | Reliance Liquid Fund - treasury plan- Direct plan growth plan - growth option | 27,351 | 115.97 | 26,737 | 106.07 | - | - |
| iii. | DSP Blackrock Liquidity Fund Regular plan- Growth | 41,014 | 101.47 | 69,096 | 160.72 | - | - |
| iv. | Kotak Floater Short term - Direct plan - Growth | 73,953 | 210.91 | | | | |
| | **Total aggregate unquoted investments** | **5,07,075** | **529.84** | **95,833** | **266.79** | **14,71,676** | **357.28** |
| | **Aggregate carrying value of unquoted investments** | | 529.84 | | 266.79 | | 357.28 |
| | **Aggregate amount of impairment in value of investments** | | - | | - | | - |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**10. Trade receivables**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| Current | | | | |
| Trade receivables [See notes below] | | | | |
| (a) | Unsecured, considered good | 3,022.97 | 2,346.60 | 2,529.37 |
| (b) | Doubtful | 2,424.68 | 2,697.51 | 2,553.56 |
| | | 5,447.65 | 5,044.11 | 5,082.93 |
| | Less: Allowance for doubtful debts (expected credit loss allowance) | (2,424.68) | (2,697.51) | (2,553.56) |
| **Total** | | **3,022.97** | **2,346.60** | **2,529.37** |

**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%-5% |
| 91 - 180 days | 1%-100% |
| 180 days and above | 50%-100% |

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| 0 - 90 days | 2,142.85 | 1,529.94 | 1,553.76 |
| 91 - 180 days | 1,041.12 | 1,784.93 | 1,760.92 |
| 180 days and above | 2,263.68 | 1,729.24 | 1,806.28 |
| **Total** | **5,447.65** | **5,044.11** | **5,120.96** |

| | | | | |
|---|---|---|---|---|
| **c)** | **Movement in the expected credit loss allowance** | | | |
| | Balance at the beginning of the year | (2,697.51) | (2,553.56) | |
| | Movement in expected credit loss allowance | 272.83 | (143.95) | |
| | **Balance at the end of the year** | **(2,424.68)** | **(2,697.51)** | |

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

**11. Cash and cash equivalents**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| (i) | Cash in hand | 125.99 | 78.76 | 139.86 |
| (ii) | Cheques on hand | 101.91 | 1.73 | 87.72 |
| (iii) | Balance with scheduled banks | | | |
| | - in current accounts | 1,240.09 | 632.54 | 1,098.71 |
| | - in deposit accounts | | | |
| | - original maturity of 3 months or less | 41.03 | 154.97 | 278.79 |
| **Total** | | **1,509.02** | **868.00** | **1,605.08** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**12. Bank balances other than cash and cash equivalents**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| i. | in deposit accounts* | | | |
| | - original maturity more than 3 months | 673.82 | 485.70 | 993.31 |
| ii. | in earmarked accounts | | | |
| | - Balances held as margin money or security against borrowings, guarantees and other commitments | 1,001.22 | 1,905.70 | 2,542.20 |
| **Total** | | **1,675.04** | **2,391.40** | **3,535.51** |
| | * Balances with banks include deposits with remaining maturity of more than 12 months from the Balance Sheet date. | - | - | 11.95 |

**13. Equity share capital**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Equity share capital | 1,953.18 | 1,935.68 | 1,777.42 |
| | **1,953.18** | **1,935.68** | **1,777.42** |
| **Authorised share capital:** | | | |
| 200,000,000 (As at 31 March, 2017: 200,000,000; as at 1 April, 2016 : 200,000,000) equity shares of Rs. 10 each with voting rights | 2,000.00 | 2,000.00 | 2,000.00 |
| **Issued and subscribed capital comprises:** | | | |
| 195,775,845 (As at 31 March, 2017 194,025,845, As at 1 April, 2016 178,199,806) equity shares of Rs. 10 each fully paid up with voting rights | 1,957.76 | 1,940.26 | 1,782.00 |
| Less : Amount recoverable from DNL Employees Welfare Trust [457,931 (As at 31 March, 2017: 457,931, As at 1 April, 2016: 457,931) number of shares issued to Trust @ Rs. 10 per share] | 4.58 | 4.58 | 4.58 |
| | **1,953.18** | **1,935.68** | **1,777.42** |

**Fully paid equity shares:**

| | Number of shares | Share Capital (Rs. in million) |
|---|---|---|
| Balance as at 1 April, 2016 | 17,81,99,806 | 1,782.00 |
| Add: Issue of shares [See note 43] | 1,58,26,039 | 158.26 |
| **Balance as at 31 March, 2017** | **19,40,25,845** | **1,940.26** |
| Add: Issue of shares [See note 40] | 17,50,000 | 17.50 |
| **Balance as at 31 March, 2018** | **19,57,75,845** | **1,957.76** |

**Of the above:**

**a.** Fully paid equity shares, which have a par value of Rs. 10, carry one vote per share and carry a right to dividends.

**b. Details of shares held by each shareholder holding more than 5% shares:**

| Name of Shareholder | As at 31.03.2018 | | As at 31.03.2017 | |
|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Fully paid equity shares with voting rights: | | | | |
| Sameer Manchanda | 4,66,54,550 | 23.83% | 4,66,54,550 | 24.05% |
| The Goldman Sachs, Inc. (through affiliates) | 4,75,35,423 | 24.28% | 4,75,35,423 | 24.49% |
| Lucid Systems Private Limited | 1,60,00,000 | 8.17% | 1,60,00,000 | 8.25% |
| Acacia Banyan Partners (directly/ through affiliates) | 1,29,40,300 | 6.61% | 1,29,40,300 | 6.67% |
| Infrastructure Leasing & Financial Services Limited (directly/ through affiliates) | 1,20,63,971 | 6.16% | 1,33,64,861 | 6.89% |

| Name of Shareholder | As at 01.04.2016 | |
|---|---|---|
| | No. of Shares | % Holding |
| **Fully paid equity shares with voting rights:** | | |
| Sameer Manchanda | 4,66,54,550 | 26.18% |
| The Goldman Sachs, Inc. (through affiliates) | 3,17,09,384 | 17.79% |
| Lucid Systems Private Limited | 1,60,00,000 | 8.98% |
| Acacia Banyan Partners (directly/ through affiliates) | 1,29,40,300 | 7.26% |
| Infrastructure Leasing & Financial Services Limited (directly/ through affiliates) | 1,33,64,861 | 7.50% |

c. The Company has one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is eligible for one vote per share held and dividend as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholder's approval. Dividends are paid in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

**14. Other equity**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Securities premium account | 16,516.24 | 16,376.90 | 15,127.09 |
| Share options outstanding account | 90.13 | 168.24 | 61.22 |
| General reserve | 216.94 | 216.94 | 216.94 |
| Surplus / (Deficit) in the Consolidated Statement of Profit and Loss | (10,916.85) | (10,565.86) | (8,487.61) |
| **Total** | **5,906.46** | **6,196.22** | **6,917.64** |

| Particulars | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) |
|---|---|---|---|---|
| **a.** | **Securities premium account** | | | |
| i. | Opening balance [Net of amount recoverable of Rs. 9.16 million (As at 31 March, 2017: Rs. 9.16 million; As at 1 April, 2016: Rs. 9.16 million) from DNL Employees Welfare Trust in respect of 457,931 (As at 31 March, 2017: 457,931, As at 1 April, 2016: 457,931) number of equity shares issued to trust @ Rs. 20 per share] | | 16,376.90 | 15,127.09 |
| ii. | Add : Premium on shares issued during the year [See note 40 and 43] | | 139.34 | 1,266.08 |
| iii. | Less : Utilised during the year for writing off share issue expenses | | - | (16.27) |
| **iv.** | **Closing balance** | **(A)** | **16,516.24** | **16,376.90** |

| Particulars | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) |
|---|---|---|---|---|
| **b.** | **Share options outstanding account** | | | |
| i. | Employees stock option outstanding | | 168.24 | 61.22 |
| ii. | Add : ESOP compensation expense (net of taxes) | | 61.23 | 107.02 |
| iii. | Less : Exercise of Options | | (139.34) | - |
| | | **(B)** | **90.13** | **168.24** |
| **c.** | **General reserve** | | | |
| i. | Opening balance | | 216.94 | 216.94 |
| ii. | Add : Addition/(deletion) | | - | - |
| **iii.** | **Closing balance** | **(C)** | **216.94** | **216.94** |
| **d.** | **Surplus / (Deficit) in the Consolidated Statement of Profit and Loss** | | | |
| i. | Opening balance | | (10,565.86) | (8,487.61) |
| ii. | Add: Profit / (Loss) for the year | | (344.10) | (2,083.74) |
| iii. | Other comprehensive income arising from remeasurement of defined benefit obligation (net of taxes) | | 4.21 | 5.49 |
| iv. | Dividend distribution tax | | (11.10) | - |
| **v.** | **Closing balance** | **(D)** | **(10,916.85)** | **(10,565.86)** |
| | | **(A+B+C+D)** | **5,906.46** | **6,196.22** |

**15. Borrowings**

| Particulars | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|
| **At amortised cost:** | | | | | |
| a. | Term loans (Secured) | | | | |
| | i. | from banks [See footnote i] | 3,137.09 | 1,100.39 | 1,003.46 |
| | ii. | from financial institution [See footnote ii] | - | - | 400.00 |
| | iii. | from other parties [See footnote iii] | - | 428.16 | 1,042.69 |
| b. | Long-term maturities of finance lease obligations | | | | 501.51 |
| | (Secured by hypothecation of assets purchased under finance lease agreement and payable in equal monthly installments. Applicable rate of interest is 8.55% to 9% per annum) | | - | - | |
| c. | Other loans | | | | |
| | - | Vehicle Loans | 4.06 | 2.98 | 6.28 |
| | | (Secured by hypothecation of vehicles and payable in equal monthly installments. The loan is repayable in 1 to 24 installments ending in March, 2018. Applicable rate of interest is 9.71% to 10.96% per annum) | | | |
| | - | Buyers credit on imports [See footnote iv] | - | 346.98 | 306.99 |
| | - | Non cumulative redeemable preference shares | - | - | 14.99 |
| | | (0.001% non-cumulative 12 years redeemable preference shares issued on 30 March, 2018 of Rs. 10 each) | | | |
| d. | Unsecured loan [See footnote v] | | - | 1.19 | 1.14 |
| | | | **3,141.15** | **1,879.70** | **3,277.06** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The terms of repayment and security of term loans and other loans are stated below:

**As at 31 March, 2018**

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote i.** | | | | | |
| Term loan from bank | 658.02 | 175.46 | First pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent (existing and proposed). Further, secured by pledge of 6 million equity shares of the Parent held by the promoter. | Repayable in 20 equal quarterly installments commencing from January, 2018 and ending in October, 2022. | 11.00% |
| Term loan from bank | 560.57 | 330.72 | First pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent (existing and proposed) and pledge of investment in shares of 24 subsidiaries (existing and proposed) held by the Parent. | Repayable in 12 equal quarterly installments commencing from October, 2017 and ending in July, 2020. | 10.50% |
| Term loan from bank | 154.61 | 73.31 | First pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent (existing and proposed) and pledge of investment in shares of 24 subsidiaries (existing and proposed) held by the Parent. | Repayable in 12 equal quarterly installments commencing from March, 2018 and ending in December, 2020. | 9.50% |
| Term loan from bank | 1,313.89 | 136.78 | First pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent (existing and proposed) and pledge of investment in shares of 25 subsidiaries (existing and proposed) held by the Parent. | Repayable in 16 equal quarterly installments commencing from April, 2018 and ending in January, 2022. | 9.25% |
| Term loan from bank | 450.00 | 50.00 | First pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent (existing and proposed). | Repayable in 16 equal quarterly installments commencing from June, 2018 and ending in March, 2022. | 9.50% |
| **Sub-total (A)** | **3,137.09** | **766.27** | | | |
| **Footnote ii.** | | | | | |
| Term loan from financial institution | - | - | | | |
| **Sub-total (B)** | **-** | **-** | | | |
| **Footnote iii.** | | | | | |
| Term loan from others | - | - | | | |
| **Sub-total (C)** | **-** | **-** | | | |

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote iv.** | | | | | |
| Buyers credit on imports | - | 347.27 | First pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent (existing and proposed). Further secured by pledge over 6 million equity shares of the Parent held by the promoter. | Repayable in January, 2019. | 3.20% to 3.40% |
| **Sub-total (D)** | **-** | **347.27** | | | |
| **Total (A+B+C+D)** | **3,137.09** | **1,113.54** | | | |
| **Footnote v.** | | | | | |
| Unsecured loan | - | - | | | |
| **Sub-total (E)** | **-** | **-** | | | |

* The above amounts include adjustment of loan processing fees to determine the amounts under the effective interest rate method.

**As at 31 March, 2017**

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote i.** | | | | | |
| Term loan from bank | - | 76.69 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. | Repayable in 1 quarterly instalment in April, 2017 | 11.75% |
| Term loan from bank | 66.59 | 133.18 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. | Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018. | 12.30% |
| Term loan from bank | 66.02 | 132.04 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. | Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018. | 12.30% |
| Term loan from bank | - | 17.37 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on entire current assets of the Parent. | Repayable in 2 quarterly installments from June, 2017 to September, 2017 | 12.30% |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| Term loan from bank | 482.97 | 53.66 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. The loan is further secured by pledged of 5.50 million equity shares of the Parent held by the promoter. | Repayable in 20 quarterly installments commencing from December, 2017 and ending in September, 2022. | 11.00% |
| Term loan from bank | 45.55 | 165.98 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. | Repayable in 5 quarterly installments from June, 2017 and ending in June, 2018. | 12.30% |
| Term loan from bank | 436.43 | 229.68 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and first pari passu charge on all current assets of the Parent. The loan is further secured by pledge of shares held by the Parent in its subsidiaries (upto 30% of share capital of subsidiaries) and pledge of 2.70 million equity shares of the Parent held by promoter. | Repayable in 11 quarterly installments from April, 2017 and ending in October, 2019. | 11.50% |
| Term loan from bank | 2.83 | 1.14 | Secured by first pari passu charge on property, plant and equipment of a subsidiary company (existing and proposed) and second charge on all current assets of the subsidiary company. Also, the loan is further guaranteed by the shareholder other than the Parent of Den FK Cable Network Private Limited. | Repayable in 18 quarterly installments from April, 2017 and ending in October, 2021. | 13.25% |
| **Sub-total (A)** | **1,100.39** | **809.74** | | | |
| Footnote ii. | | | | | |
| Term loan from financial institution | - | - | | | |
| **Sub-total (B)** | **-** | **-** | | | |
| Footnote iii. | | | | | |
| Term loan from others | 428.16 | 614.52 | This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement. | Repayable in 34 monthly installments from April, 2017 and ending in January, 2020. | 8.55% |
| **Sub-total (C)** | **428.16** | **614.52** | | | |
| **Footnote iv.** | | | | | |
| Buyers credit on imports | 346.98 | - | Secured by first pari passu charge on property, plant and equipment of the Company existing and proposed and second pari passu charge on all current assets of the Parent. | Repayable in January, 2019. | 1.21% to 1.94% |
| **Sub-total (D)** | **346.98** | **-** | | | |
| **Total (A+B+C+D)** | **1,875.53** | **1,424.26** | | | |

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote v.** | | | | | |
| Unsecured loan | 1.19 | 1.14 | This unsecured loan outstanding as at the balance sheet date from Cisco Systems Capital India Private Limited. | Repayable in 8 monthly installments from April, 2017 and ending in November, 2017. | 8.55% |
| **Sub-total (E)** | **1.19** | **1.14** | | | |

**As at 1 April, 2016**

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| **Footnote i.** | | | | | |
| Term loan from bank | 73.21 | 305.58 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. | Repayable in 5 quarterly installments commencing from April, 2016 and ending in April, 2017. | 11.95% |
| Term loan from bank | 397.83 | 257.24 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. | Repayable in 10 quarterly installments commencing from June, 2016 and ending in September, 2018. | 12.50% |
| Term loan from bank | 28.95 | 23.16 | Secured by first pari passu charge on entire property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on entire current assets of the Parent. | Repayable in 9 quarterly installments commencing from April, 2016 and ending in April, 2018. | 11.80% |
| Term loan from bank | 355.59 | - | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. The loan is further secured by pledged of 5.50 million shares of the Parent held by the promoter. | Repayable in 20 quarterly installments commencing from March, 2018 and ending in December, 2022. | 11.20% |
| Term loan from bank | 62.23 | 49.60 | Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. | Repayable in 8 quarterly installments commencing from June, 2016 and ending in September, 2018. | 12.50% |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

| Particulars | Amount outstanding* | | Security | Terms of repayment/redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|---|
| | Long-term debts (Rs. in million) | Current maturities of long-term debts (Rs. in million) | | | |
| Term loan from bank | 84.00 | | Secured by first pari passu charge on property, plant and equipment of a subsidiary Company and second pari passu charge on all current assets of the Company subsidiary company. The loan is further guaranteed by security of the director of subsidiary company and bank guarantee by Parent. | Repayable in 6 quarterly installments commencing from April, 2016 and ending in September, 2017. | 13.70% |
| Term loan from bank | 1.65 | - | Secured by first pari passu charge on property, plant and equipment of a subsidiary Company and second pari passu charge on all current assets of the Company subsidiary company. The loan is further guaranteed by security of the director of subsidiary company. | Repayable in 18 monthly installments commencing from April, 2016 and ending in September, 2017. | 12.70% |
| **Sub-total (A)** | **1,003.46** | **635.58** | | | |
| **Footnote ii.** | | | | | |
| Term loan from financial institution | 400.00 | 400.00 | Secured by first pari passu charge on property, plant and equipment (existing and proposed) and on all current assets of the Parent. Further, the loan is secured by pledge of shares held by the Parent in its subsidiaries (existing and proposed). | Repayable in 8 quarterly installments commencing from May, 2016 and ending in February, 2018. | 11.15% |
| **Sub-total (B)** | **400.00** | **400.00** | | | |
| **Footnote iii.** | | | | | |
| Term loan from others | 1,042.69 | 785.22 | This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement. | Repayable in 35 equal monthly installments commencing from April, 2016 and ending in February, 2019. | 8.55% |
| **Sub-total (C)** | **1,042.69** | **785.22** | | | |
| **Footnote iv.** | | | | | |
| Buyers credit on imports | 306.99 | - | Secured by first pari passu charge on property, plant and equipment of the Parent existing and proposed and second pari passu charge on all current assets of the Parent. | Repayable in January, 2019. | 1.21% |
| **Sub-total (D)** | **306.99** | **-** | | | |
| **Total (A+B+C+D)** | **2,753.14** | **1,820.80** | | | |
| **Footnote v.** | | | | | |
| Unsecured loan | 1.14 | 1.71 | This unsecured loan outstanding as at the balance sheet date from Cisco Systems Capital India Private Limited. | Repayable in 8 monthly installments from April, 2016 and ending in November, 2017. | 8.55% |
| **Sub-total (E)** | **1.14** | **1.71** | | | |

* The above amounts include adjustment of loan processing fees to determine the amounts under the effective interest rate method.

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**16. Provisions**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| **Non-current** | | | | |
| **a.** | **Employee benefits [See note 33]** | | | |
| | - Gratuity | 92.94 | 88.80 | 82.00 |
| **Total** | | **92.94** | **88.80** | **82.00** |
| **Current** | | | | |
| **a.** | **Employee benefits [See note 33]** | | | |
| | - Compensated absences | 45.99 | 48.58 | 43.71 |
| | - Gratuity | 3.07 | 2.94 | 4.23 |
| **b.** | **Other provisions** | | | |
| | - Wealth tax [net of advance tax] | - | - | 0.10 |
| | - Others | - | - | 4.48 |
| **Total** | | **49.06** | **51.52** | **52.52** |

**17. Borrowings**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| At amortised cost | | | | |
| a. | Loans repayable on demand (Secured) | | | |
| | - from banks [See footnote i below] | 1,042.92 | 530.80 | 257.49 |
| b. | Other loans | | | |
| | - Unsecured | 7.37 | 2.98 | 7.46 |
| | (This unsecured loan outstanding as at Balance Sheet date is repayable on demand. Applicable rate of interest is 15% per annum) | | | |
| | - Buyers credit on imports (Secured) [See footnote ii below] | - | 693.92 | 2,588.34 |
| **Total** | | **1,050.29** | **1,227.70** | **2,853.29** |

The terms of repayment and security of loans repayable on demand and buyers credits on imports are stated below:

**As at 31 March, 2018**

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|
| **Footnote i.** | | | | |
| Loans repayable on demand- from bank | 219.22 | First pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent (existing and proposed). | Repayable on demand. | 8.75% |
| Loans repayable on demand- from bank | 29.66 | First pari passu charge on current assets of the Parent (existing and proposed) and second pari passu charge on all property, plant and equipment of the Parent (existing and proposed) and pledge of the investment in shares of 24 specified subsidiaries (present and proposed) held by Parent. | Repayable on demand. | 11.00% |
| Loans repayable on demand- from bank | 400.00 | First pari passu charge on current assets of the Parent (existing and proposed). | Repayable on demand. | 9.20% to 9.25% |

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|
| Loans repayable on demand- from bank | 394.04 | Secured by first pari passu charge on current assets of the Parent (existing and proposed) and second pari passu charge on all property, plant and equipment of the Parent (existing and proposed). | Repayable on demand. | 9.75% to 11.00% |
| **Sub-total (i)** | **1,042.92** | | | |
| **Footnote ii.** | | | | |
| Buyers credit on imports | - | | | |

**As at 31 March, 2017**

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|
| **Footnote i.** | | | | |
| Loans repayable on demand- from bank | 530.80 | Secured by first pari passu charge on current assets of the Parent Company and a subsidiary company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Parent and subsidiary Company (existing and proposed). | Repayable on demand. | 10.70% to 11.00% |
| **Footnote ii.** | | | | |
| Buyers credit on imports | 693.92 | Secured by first pari passu charge on property, plant and equipment of the Parent and a subsidiary company (existing and proposed) and second pari passu charge on all current assets of the Parent and subsidiary company (existing and proposed). | Repayable from April, 2017 to November, 2017 | 1.53% to 2.19% |

**As at 01 April, 2016**

| Particulars | Borrowings-current (Rs. in million) | Security | Terms of repayment/ redemption | Rate of interest/ effective interest rate (per annum) |
|---|---|---|---|---|
| **Footnote i.** | | | | |
| **Loans repayable on demand- from bank** | 257.49 | Secured by first pari passu charge on current assets of the Parent Company and subsidiary company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Parent and subsidiary company (existing and proposed). | Repayable on demand. | 10.70% to 11.00% |
| **Footnote ii.** | | | | |
| **Buyers credit on imports** | 2,588.34 | Secured by first pari passu charge on property, plant and equipment of the Parent and a subsidiary company (existing and proposed) and second pari passu charge on all current assets of the Parent and subsidiary company (existing and proposed). | Repayable from April, 2016 to February, 2017 | 1.02% to 1.64% |

**18. Trade payables**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Trade payables - Other than acceptances | | | |
| - total outstanding dues of micro enterprises and small enterprises [See note 47] | - | - | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 3,454.04 | 3,304.55 | 2,821.53 |
| **Total** | **3,454.04** | **3,304.55** | **2,821.53** |
| Note: The normal credit period for these trade payables is generally from 0 to 90 days. No interest is charged by the vendors on overdue payables. | | | |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**19. Other financial liabilities**

| Particulars | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|
| **Non-current** | | | | | |
| Security deposits received | | | **4.00** | **5.50** | **3.21** |
| **Current** | | | | | |
| a. | Current maturities of long term debt [See footnote i below] | | 766.27 | 1,424.26 | 1,820.80 |
| b. | Current maturities of finance lease obligations [See footnote i below] | | - | 501.51 | 581.84 |
| c. | Current maturities of other secured loans [See footnote i below] | | - | 2.97 | 3.57 |
| d. | Current maturities of other unsecured loans [See footnote v of note 15] | | - | 1.14 | 1.71 |
| e. | Current maturities of Buyers credit [See footnote i below] | | 347.27 | - | - |
| f. | Non-cumulative redeemable preference shares [See footnote i below] | | - | 17.01 | - |
| g. | Interest accrued | | 11.04 | 28.35 | 53.83 |
| h. | Others | | | | |
| | i. | Balance consideration payable on investments | 34.31 | 6.74 | 7.30 |
| | ii. | Payables on purchase of property, plant and equipment | 412.22 | 565.23 | 1,121.48 |
| | iii. | Book overdraft | 110.05 | 181.94 | 374.15 |
| | iv. | Security deposits received | 8.65 | 8.70 | 10.62 |
| **Total** | | | **1,689.81** | **2,737.85** | **3,975.30** |
| Footnotes : | | | | | |

i. See note 15 (Non current borrowings) for details of security, guarantees and repayment.

**20. Other liabilities**

| Particulars | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|---|
| **Non-current** | | | | | |
| a. | Deferred revenue | | 3,532.52 | 3,915.27 | 3,897.48 |
| **Total** | | | **3,532.52** | **3,915.27** | **3,897.48** |
| **Current** | | | | | |
| a. | Deferred revenue | | 1,186.63 | 1,161.00 | 1,067.99 |
| b. | Statutory remittances | | 361.82 | 277.76 | 609.76 |
| c. | Other payables | | | | |
| | i. | Advances from customers | 85.89 | 66.32 | 81.64 |
| | ii. | Others | - | 251.44 | - |
| **Total** | | | **1,634.34** | **1,756.52** | **1,759.39** |

**21. Current tax liabilities (net)**

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| a. | Provision for income tax | 1,166.63 | 872.71 | 1,307.26 |
| b. | Less: Advance tax including TDS recoverable | (1,142.00) | (797.81) | (1,168.37) |
| **Total** | | **24.63** | **74.90** | **138.89** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**22. Revenue from operations**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Sale of services [See note below] | 12,451.31 | 11,144.95 |
| b. | Other operating revenue | | |
| i. | Commission income | 11.00 | 95.00 |
| ii. | Liabilities/ excess provisions written back (net) | 268.76 | 213.41 |
| iii. | Miscellaneous income | 119.94 | 120.04 |
| | **Total** | **12,851.01** | **11,573.40** |

**Note:**
**Sale of services comprises:**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Placement income | 3,448.12 | 3,505.58 |
| b. | Subscription income | 6,665.63 | 5,444.38 |
| c. | Activation income | 1,191.57 | 859.30 |
| d. | Feeder charges income | 263.04 | 343.60 |
| e. | Internet revenue | 736.09 | 810.22 |
| f. | Other revenue | 146.86 | 181.87 |
| | **Total** | **12,451.31** | **11,144.95** |

**23. Other income**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Interest income earned on financial assets that are not designated as at fair value through profit or loss: | | |
| i. | on bank deposits (amortised cost) | 154.65 | 245.59 |
| ii. | on financial assets carried at amortised cost | 43.11 | 5.00 |
| b. | Interest on income tax refund | 28.09 | 80.92 |
| c. | Dividend income from current investments in mutual funds | - | 0.05 |
| d. | Other gains and losses | | |
| i. | Net gain on foreign currency transactions and translation | 23.97 | 45.24 |
| ii. | Net gain on sale of current investments (other than non trade and unquoted) | 27.06 | 32.38 |
| iii. | Net gain on sale of non - current investments | 6.40 | - |
| iv. | Net gain on sale of property, plant and equipment | 15.52 | - |
| v. | Others | - | 4.12 |
| | **Total** | **298.80** | **413.30** |

**24. Employee benefits expense**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Salaries and allowances | 925.31 | 1,014.96 |
| b. | Contribution to provident and other funds [See note 33] | 42.73 | 49.89 |
| c. | Gratuity expense [See note 33] | 14.15 | 15.73 |
| d. | Share-based payments to employees [see note 36] | 61.23 | 107.02 |
| e. | Staff welfare expenses | 36.48 | 46.09 |
| | **Total** | **1,079.90** | **1,233.69** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**25. Finance costs**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Interest costs | | |
| | - Interest on bank overdraft and loans | 528.47 | 590.37 |
| b. | Other borrowing costs | 132.04 | 61.25 |
| | **Total** | **660.51** | **651.62** |

**26. Other expenses**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Distributor commission/ incentive | 430.14 | 447.95 |
| b. | Rent and hire charges [See note 31] | 211.37 | 245.52 |
| c. | Repairs and maintenance | | |
| i. | Plant and equipment | 183.73 | 209.63 |
| ii. | Others | 151.97 | 93.44 |
| d. | Power and fuel | 165.20 | 172.41 |
| e. | Director's sitting fees | 0.95 | 1.15 |
| f. | Legal and professional charges* | 189.29 | 186.75 |
| g. | Expenditure on corporate social responsibility [See note 45] | 13.91 | 9.90 |
| h. | Contract service charges | 469.75 | 404.94 |
| i. | Printing and stationery | 6.90 | 8.87 |
| j. | Travelling and conveyance | 67.76 | 100.46 |
| k. | Advertisement, publicity and business promotion | 76.42 | 59.10 |
| l. | Communication expenses | 63.20 | 110.71 |
| m. | Leaseline expenses | 623.15 | 595.54 |
| n. | Security charges | 20.98 | 19.99 |
| o. | Freight and labour charges | 9.45 | 10.96 |
| p. | Insurance | 2.79 | 4.93 |
| q. | Rates and taxes | 103.61 | 109.48 |
| r. | Allowance on trade receivables and advances** | 261.36 | 370.70 |
| s. | Capital-work-in-progress written off | - | 19.53 |
| t. | Loss on sale/ disposal of property, plant and equipment (net) | - | 2.86 |
| u. | Miscellaneous expenses | 76.00 | 131.98 |
| | **Total** | **3,127.93** | **3,316.80** |
| * Legal and professional charges includes payment to auditor's (net of indirect tax credit) : | | | |
| a. | To statutory auditors of the Parent | | |
| | For audit | 6.95 | 6.95 |
| | For other services | 3.94 | 3.94 |
| | Reimbursement of expenses | 0.38 | 0.31 |
| | | 11.27 | 11.20 |
| b. | To cost auditors for cost audit | 0.05 | 0.05 |
| | **Total** | **11.32** | **11.25** |
| ** Allowance on trade receivables and advances | | | |
| a. | Doubtful trade receivables and advances written off | 225.62 | 323.44 |
| b. | Allowance on trade receivables and advances written back | (225.62) | (323.44) |
| | | - | - |
| c. | Allowance on trade receivables and advances | 261.36 | 370.70 |
| | **Total** | **261.36** | **370.70** |

**27. Exceptional items [See note 44]**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| a. | Allowance on trade receivables and advances | 182.20 | - |
| b. | Provision for impairment of goodwill on consolidation and intangible asset (brand) | - | 250.18 |
| c. | Restructuring expenses | - | 56.63 |
| | | 182.20 | 306.81 |
| d. | "Less: Profit on disposal of non-current investments in subsidiary and joint venture" | 181.09 | - |
| | **Total** | **1.11** | **306.81** |

**28. Income taxes**

| Particulars | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|---|
| **A** | **Income tax recognised in Consolidated Statement of Profit and Loss** | | |
| **(a)** | **Current tax** | | |
| | In respect of current year | 251.16 | 321.79 |
| | In respect of prior years | 20.14 | - |
| | | 271.30 | 321.79 |
| **(b)** | **Deferred tax [See note 28(C)]** | | |
| | In respect of current year | (171.65) | 8.10 |
| | | (171.65) | 8.10 |
| | **Total tax expense charged/(credited) in Consolidated Statement of Profit and Loss** | **99.65** | **329.89** |
| **(c)** | **The income tax expense for the year can be reconciled to the accounting profit as follows:** | | |
| | Profit/(Loss) before tax | (71.54) | (-1,547.71) |
| | Less: | | |
| | Share of profit / (loss) of associates | (5.90) | (-29.71) |
| | Share of profit / (loss) of joint venture | - | - |
| | | **(65.64)** | **(-1,518.00)** |
| | Income tax expense calculated | (20.28) | (525.38) |
| | Effect of expenses that are not deductible in determining taxable profit | 0.07 | 240.34 |
| | Effect of unused tax losses, timing difference and tax offsets not recognised as deferred tax asset | 217.48 | 614.93 |
| | Effect of timing difference recognised as deferred tax asset relating to previous years | (-107.97) | - |
| | Effect on deferred tax balances due to the change in income tax rates | (9.79) | - |
| | | 79.51 | 329.89 |
| | Adjustments recognised in the current year in relation to the current tax of prior years | 20.14 | - |
| | **Total tax expense charged/(credited) in Consolidated Statement of Profit and Loss** | **99.65** | **329.89** |
| **B** | **Income tax recognised in other comprehensive income** | | |
| **(a)** | **Deferred tax [See note 28(C)]** | | |
| | Arising on income and expenses recognised in other comprehensive income | | |
| | - Remeasurement of defined obligation | (1.20) | 0.77 |
| | **Total tax expense charged/(credited) in other comprehensive income** | **(1.20)** | **0.77** |

The tax rate used for the 2017-2018 and 2016-2017 reconciliations above is the corporate tax rate of 30.90% and 34.61% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**28. Income taxes (contd.)**

**C. Movement in deferred tax.**

**(i) Movement of deferred tax for 31 March, 2018**

| Particulars | As at 31.03.2018 | | | |
|---|---|---|---|---|
| | Opening balance as on 1 April, 2017 | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance as on 31 March, 2018 |
| Tax effect of items constituting deferred tax liabilities | | | | |
| Property, plant and equipment and other intangible assets | (8.08) | - | - | (8.08) |
| Provision for employee benefits | 0.12 | - | - | 0.12 |
| Deferred revenue | 2.47 | - | - | 2.47 |
| Other items | 4.89 | (0.15) | - | 4.74 |
| | **(0.60)** | **(0.15)** | **-** | **(0.75)** |
| Tax effect of items constituting deferred tax assets | | | | |
| MAT credit entitlement | 29.34 | (0.41) | - | 28.93 |
| Property, plant and equipment and other intangible assets | (54.22) | 304.97 | - | 250.75 |
| Provision for employee benefits | 3.63 | 6.90 | (1.20) | 9.33 |
| Allowance on trade receivables, advances and impairment | 347.36 | (15.20) | - | 332.16 |
| Deferred revenue | 317.14 | (47.79) | - | 269.35 |
| Share issue expenses | 52.24 | (52.24) | - | - |
| Other items | 63.66 | (24.43) | - | 39.23 |
| | **759.15** | **171.80** | **(1.20)** | **929.75** |
| **Net tax asset/(liabilities)** | **758.55** | **171.65** | **(1.20)** | **929.00** |

**(ii) Movement of deferred tax for 31 March, 2017**

| Particulars | As at 31.03.2017 | | | |
|---|---|---|---|---|
| | Opening balance as on 1 April, 2016 | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance as on 31 March, 2017 |
| Tax effect of items constituting deferred tax liabilities | | | | |
| Property, plant and equipment and other intangible assets | (8.08) | - | - | (8.08) |
| Provision for employee benefits | 0.12 | - | - | 0.12 |
| Deferred revenue | 2.47 | - | - | 2.47 |
| Other items | 2.33 | 2.56 | - | 4.89 |
| | **(3.16)** | **2.56** | **-** | **(0.60)** |
| Tax effect of items constituting deferred tax assets | | | | |
| MAT credit entitlement | 29.94 | (0.60) | - | 29.34 |
| Property, plant and equipment and other intangible assets | (49.45) | (4.77) | - | (54.22) |
| Provision for employee benefits | 2.86 | - | 0.77 | 3.63 |
| Allowance on trade receivables, advances and impairment | 347.36 | - | - | 347.36 |
| Deferred revenue | 317.14 | - | - | 317.14 |
| Share issue expenses | 52.24 | - | - | 52.24 |
| Other items | 52.75 | 10.91 | - | 63.66 |
| | **752.84** | **5.54** | **0.77** | **759.15** |
| **Net tax asset/(liabilities)** | **749.68** | **8.10** | **0.77** | **758.55** |

**28. Income taxes (contd.)**

**D. Unrecognised deductible temporary differences, unused tax losses and unused tax credits**

**(Rs. in million)**

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| 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) | 364.19 | 307.97 | 307.97 |
| - unabsorbed depreciation (revenue in nature) | 3,134.54 | 2,624.44 | 2,624.44 |
| - deductible temporary differences | | | |
| i. Property, plant and equipment and other intangible assets | 223.96 | 653.26 | 653.26 |
| ii. Provision for employee benefits | 8.53 | 102.91 | 102.91 |
| iii. Allowance on trade receivables, advances and impairment | 1,600.30 | 1,089.34 | 1,089.34 |
| iv. Deferred revenue | 3,748.94 | 4,150.03 | 4,150.03 |
| v. Share issue expenses | - | 4.50 | 4.50 |
| | **9,080.46** | **8,932.45** | **8,932.45** |

**Note:**

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

**(Rs. in million)**

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|
| Deferred tax assets with no expiry date | 9,080.46 | 7,041.35 | 6,136.09 |
| Deferred tax assets with expiry date* | - | 1,891.10 | 1,019.53 |
| | **9,080.46** | **8,932.45** | **7,155.62** |

* These would expire between financial year ended 31 March, 2020 and 31 March, 2025.

**29. Commitments and contingent liabilities**

**(Rs. in million)**

| Particulars | | | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|---|---|---|---|---|
| **a.** | **Commitments** | | | | |
| (i) | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | | 65.21 | 518.91 | 703.07 |
| **b.** | **Contingent liabilities** | | | | |
| | **i)** | **Claims against the Group not acknowledged as debts*** | | | |
| | | Income tax disputes where the Group is in appeal | 1.01 | 1.02 | 17.33 |
| | | Service tax disputes | 79.73 | 1.07 | 1.56 |
| | | Entertainment tax disputes | 211.09 | 229.69 | 1,254.98 |
| | | VAT disputes | 1,252.60 | 1,152.12 | 741.30 |
| | | Entry tax disputes | 36.62 | 80.23 | 25.30 |
| | | Demand raised by Custom Directorate of Revenue Intelligence | 238.99 | 220.08 | - |
| | **ii)** | **Guarantees** | | | |
| | | Bank guarantees | 23.78 | 50.00 | 40.00 |
| | | Corporate guarantee issued by the Parent** | - | 250.00 | 250.00 |
| | **iii)** | **Other money for which the Group and its associates is contingently liable** | | | |
| | | Outstanding letter of credits | 18.02 | - | - |
| | **iv)** | **Group's share of contingent liabilities of its associates** | 0.17 | - | - |

* The Group and its associates has paid advance towards the above claims aggregating to Rs. 305.19 million (31 March, 2017: Rs. 343.85 million; 1 April, 2016: Rs. 202.49 million).

** Against this corporate guarantee, the obligation outstanding as on 31 March, 2018 is Rs. Nil (As at 31 March, 2017 - Rs. 74.75 million, As at 1 April, 2016 - Rs. 121.33 million).

**30. Segment information**

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided. The CODM has identified Cable and Broadband as its reportable segments.

a) Cable segment consists of distribution and promotion of television channels.

b) Broadband segment consists of providing internet services.

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that is used interchangeably amongst segments is not allocated to segments.

**I. Segment revenue and results**

**(Rs. in million)**

| Particulars | | Year ended 31.03.2018 | | | Year ended 31.03.2017 | | |
|---|---|---|---|---|---|---|---|
| | | Cable | Broad band | Total | Cable | Broad band | Total |
| **A.** | **Segment revenue** | | | | | | |
| | Revenue from operations | 12,097.56 | 753.45 | 12,851.01 | 10,755.40 | 818.00 | 11,573.40 |
| | **Total** | **12,097.56** | **753.45** | **12,851.01** | **10,755.40** | **818.00** | **11,573.40** |
| **B.** | **Segment result** | 616.33 | (319.15) | 297.18 | (609.77) | (363.10) | (972.87) |
| | Other income | | | 298.80 | | | 413.30 |
| | Finance costs | | | (660.51) | | | (651.62) |
| | **Profit/(Loss) before exceptional items and tax expense** | | | **(64.53)** | | | **(1,211.19)** |
| | Exceptional items | | | (1.11) | | | (306.81) |
| | Share of profit / (loss) of associates | | | (5.90) | | | (29.71) |
| | Share of profit / (loss) of joint venture | | | - | | | - |
| | **Profit / (Loss) before tax** | | | **(71.54)** | | | **(1,547.71)** |
| | Tax expense | | | 99.65 | | | 329.89 |
| | **Profit / (Loss) after tax** | | | **(171.19)** | | | **(1,877.60)** |

**II. Segment assets and liabilities**

**(Rs. in million)**

| Particulars | | Year ended 31.03.2018 | | | Year ended 31.03.2017 | | |
|---|---|---|---|---|---|---|---|
| | | Cable | Broad band | Total | Cable | Broad band | Total |
| **C.** | **Segment assets** | 13,047.34 | 1,089.04 | 14,136.38 | 13,220.95 | 1,215.90 | 14,436.85 |
| | Add: Unallocated assets | | | 9,283.04 | | | 9,634.36 |
| | **Total assets** | **13,047.34** | **1,089.04** | **23,419.42** | **13,220.95** | **1,215.90** | **24,071.21** |
| **D.** | **Segment liabilities** | 8,891.08 | 282.14 | 9,173.22 | 9,111.28 | 307.05 | 9,418.33 |
| | Add: Unallocated liabilities | | | 5,500.31 | | | 5,624.58 |
| | **Total liabilities** | **8,891.08** | **282.14** | **14,673.53** | **9,111.28** | **307.05** | **15,042.91** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**II. Segment assets and liabilities**

**(Rs. in million)**

| Particulars | Year ended 01.04.2016 | | |
|---|---|---|---|
| | Cable | Broad band | Total |
| **Segment assets and liabilities** | | | |
| Segment assets | 15,081.16 | 1,289.90 | 16,371.06 |
| Unallocable assets | | | 11,893.55 |
| **Total assets** | **15,081.16** | **1,289.90** | **28,264.61** |
| Segment liabilities | 6,759.22 | 2,379.15 | 9,138.37 |
| Unallocable liabilities | | | 9,725.46 |
| **Total liabilities** | **6,759.22** | **2,379.15** | **18,863.83** |

**III. Other segment information**

**(Rs. in million)**

| | Particulars | Year ended 31.03.2018 | | | Year ended 31.03.2017 | | |
|---|---|---|---|---|---|---|---|
| | | Cable | Broad band | Total | Cable | Broad band | Total |
| | Depreciation and amortisation (allocable) | 2,178.19 | 307.71 | **2,485.90** | 2,479.96 | 281.04 | **2,761.00** |
| | Addition to non - current assets (allocable) i.e. capital expenditure | 1,355.09 | 165.18 | **1,520.27** | 1,668.10 | 260.34 | **1,928.44** |
| | Impairment losses recognised in respect of: | | | | | | |
| a) | Property, plant and equipment / Capital work-in-progress | - | - | **-** | 19.53 | - | **19.53** |
| b) | Intangible assets | - | - | **-** | 78.49 | - | **78.49** |
| c) | Goodwill on consolidation (unallocable) | | | **-** | | | **171.69** |
| d) | financial assets | | | | | | |
| | - Allowance on trade receivables and advances | 252.25 | 9.11 | **261.36** | 365.71 | 4.99 | **370.70** |

**IV. Geographical information**

a. The Group is domiciled in India. The amount of its revenue from external customers broken down by location of customers in stated below:

| Geography | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| India | 12,851.01 | 11,573.40 |
| Outside India | - | - |
| | **12,851.01** | **11,573.40** |

**b. Information regarding geographical non-current assets* is as follows:**

| Geography | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| India | 12,714.28 | 13,831.87 | 15,384.92 |
| Outside India | - | - | - |
| | **12,714.28** | **13,831.87** | **15,384.92** |

* Non-current assets exclude financial assets, non current tax assets (net) and deferred tax assets (net).

c. Information about major customers:

No single customer contributed 10% or more to the Group's revenue during the years ended 31 March, 2018 and 31 March, 2017.

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

## 31. Operating Lease

The Group has taken office premises and accommodation for its employee under cancellable operating lease agreements. The lease rental expenses recognised in the Consolidated Statement of Profit and Loss:

**(Rs. in million)**

| Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|
| Payments recognised as an expense | 211.37 | 245.52 |
| **Total** | **211.37** | **245.52** |

## 32. Finance lease as lessee

The Group has entered into finance lease arrangements for certain equipment which provide the Group an option to purchase the assets at the end of the lease period. The average lease term is 3 years.

**(Rs. in million)**

| Particulars | | Year ended 31.03.2018 | As at 31.03.2017 | Year ended 01.04.2016 |
|---|---|---|---|---|
| **Future minimum lease payments:** | | | | |
| (i) | Not later than one year | - | 501.51 | 649.98 |
| (ii) | Later than one year and not later than five years | - | - | 521.06 |
| (iii) | Later than five years | - | - | - |
| | | **-** | **501.51** | **1,171.04** |
| | Less : Future finance charges | - | - | 87.69 |
| | | **-** | **501.51** | **1,083.35** |
| **Present value of minimum lease payments payable:** | | | | |
| (i) | Not later than one year | - | 501.51 | 581.84 |
| (ii) | Later than one year and not later than five years | - | - | 501.51 |
| (iii) | Later than five years | - | - | - |
| | | **-** | **501.51** | **1,083.35** |
| **Included in the financial statements as:** | | | | |
| (i) | Current maturities of finance lease obligations [See note 19] | - | 501.51 | 581.84 |
| (ii) | Non-current borrowings [See note 15] | - | - | 501.51 |

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from Nil (at 31 March, 2017 - 8.55% to 9% per annum, at 1 April, 2016 - 8.55% to 9% per annum).

## 33. Employee benefit plans

### (i) Defined contribution plans

The Group operates defined contribution retirement benefit plans for all its qualifying employees. Where employees leaves the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The total expense recognised in Consolidated Statement of Profit and Loss of Rs. 38.67 million (for the year ended 31 March, 2017: Rs. 47.11 million) for provident fund contributions and Rs. 4.06 million (for the year ended 31 March, 2017: Rs. 2.78 million) for Employee State Insurance Scheme contributions represents contributions payable to these plans by the Group at rates specified in the rules of the plans. As at 31 March, 2018, contributions of Rs. 8.67 million (as at 31 March, 2017: Rs. 15.52 million; as at 1 April, 2016: Rs. 14.15 million) due in respect of 2017-2018 (2016-2017) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

### (ii) Defined benefit plans

**Gratuity plan**

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 2 million (Previous year Rs. 1 million). Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

The gratuity plan typically exposes the Group to actuarial risks such as: interest rate risk, longevity risk and salary risk.

| | |
|---|---|
| Interest risk | A decrease in the bond interest rate will increase the plan liability. |
| Longevity risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. |
| Salary risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

No other post-retirement benefits are provided to these employees.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at 31 March, 2018 by Charan Gupta Consultants Private Limited for the Parent and certain subsidiaries, Ashok Kumar Garg and K A Pandit for the other subsidiaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**a) The principal assumptions used for the purposes of the actuarial valuations were as follows.**

| Geography | Valuations as at | | |
|---|---|---|---|
| | 31.03.2018 | 31.03.2017 | 01.04.2016 |
| Discount rate(s) | 7.71% | 7.54% | 8.00% |
| Expected rate(s) of salary increase | 8.00% | 8.00% | 8.00% |
| Average longevity at retirement age for current beneficiaries of the plan (years) | 16.01 | 16.40 | 17.34 |
| Average longevity at retirement age for current employees (future beneficiaries of the plan) (years) | 19.64 | 20.18 | 21.96 |
| Retirement age (years) | 58 | 58 | 58 |
| Mortality Table | "IALM (2006 08)" | "IALM (2006 08)" | "IALM (2006 08)" |
| Withdrawal Rates | In % | In % | In % |
| Upto 30 years | 3.00 | 3.00 | 3.00 |
| From 31 years to 44 years | 2.00 | 2.00 | 2.00 |
| Above 44 years | 1.00 | 1.00 | 1.00 |

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Group financial statements as at 31 March, 2018:

**b) Amounts recognised in Consolidated Statement of Profit and Loss in respect of these defined benefit plans are as follows:**

**(Rs. in million)**

| Geography | Year ended | |
|---|---|---|
| | 31.03.2018 | 31.03.2017 |
| Service cost | | |
| - Current service cost | 6.27 | 10.77 |
| - Past service cost and (gain)/loss from settlements | 1.46 | - |
| Net interest expense | 6.42 | 4.96 |
| **Components of defined benefit costs recognised in profit or loss** | **14.15** | **15.73** |
| Remeasurement on the net defined benefit liability | | |
| - Actuarial (gains) / losses arising from changes in financial assumptions | (1.11) | 4.18 |
| - Actuarial (gains) / losses arising from experience adjustments | (3.29) | (8.51) |
| **Components of defined benefit costs recognised in other comprehensive income** | **(4.40)** | **(4.33)** |
| | | |
| **Total** | **9.75** | **11.40** |

The current service cost and the net interest expense for the year are included in the employee benefits expense line item in the Consolidated Statement of Profit and Loss.
The remeasurement of the net defined benefit liability is included in other comprehensive income.

**c) The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:**

**(Rs. in million)**

| Particulars | As at | | |
|---|---|---|---|
| | 31.03.2018 | 31.03.2017 | 01.04.2016 |
| Present value of funded defined benefit obligation | 96.01 | 91.74 | 86.23 |
| Fair value of plan assets | - | - | - |
| **Net liability arising from defined benefit obligation** | **96.01** | **91.74** | **86.23** |
| - Current portion of the above | 3.07 | 2.94 | 4.23 |
| - Non-current portion of the above | 92.94 | 88.80 | 82.00 |

**d) Movements in the present value of the defined benefit obligation are as follows:**

**(Rs. in million)**

| Particulars | Year ended | |
|---|---|---|
| | 31.03.2018 | 31.03.2017 |
| Opening defined benefit obligation | 91.74 | 86.23 |
| Current service cost | 6.27 | 10.77 |
| Interest cost | 6.42 | 4.96 |
| Remeasurement (gains)/losses: | | |
| - Actuarial gains and losses arising from changes in financial assumptions | (1.11) | 4.18 |
| - Actuarial gains and losses arising from experience adjustments | (3.29) | (8.51) |
| Past service cost, including losses/(gains) on curtailments | 1.46 | - |
| Benefits paid | (5.48) | (5.89) |
| **Closing defined benefit obligation** | **96.01** | **91.74** |

e) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

i) If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by Rs. 5.92 million (increase by Rs. 5.79 million) [as at 31 March, 2017: decrease by Rs. 5.45 million (increase by Rs. 5.48 million)] [as at 1 April, 2016: decrease by Rs. 5.61 million (increase by Rs. 5.64 million)].

ii) If the expected salary growth increases (decreases) by 0.50%, the defined benefit obligation would increase by Rs. 5.83 million (decrease by Rs. 5.76 million) [as at 31 March, 2017: increase by Rs. 5.79 million (decrease by Rs. 5.45 million)] [as at 1 April, 2016: increase by Rs. 5.61 million (decrease by Rs. 5.70 million)].

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

f) The average duration of the benefit obligation represents average duration for active members at 31 March, 2018: 16.01 years (as at 31 March, 2017: 16.40 years; as at 1 April, 2016: 17.34 years).

g) The Group expects to make a contribution of Rs. 13.20 million (as at 31 March, 2017: Rs. 13.70 million; as at 1 April, 2016: Rs. 19.28 million) to the defined benefit plans during the next financial year.

h) The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

i) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant

factors.

j) The gratuity plan is unfunded.

k) Experience on actuarial gain/(loss) for benefit obligations and plan assets:

**(Rs. in million)**

| Particulars | Gratuity | | | | |
|---|---|---|---|---|---|
| | Year ended 31.03.2018 | Year ended 31.03.2017 | Year ended 31.03.2016 | Year ended 31.03.2015 | Year ended 31.03.2014 |
| Present value of DBO | 96.01 | 91.74 | 86.23 | 68.58 | 35.50 |
| Funded status [Surplus / (Deficit)] | (96.01) | (91.74) | (86.23) | (68.58) | (35.50) |
| Experience gain / (loss) adjustments on plan liabilities | 4.40 | 4.33 | 3.61 | 0.91 | (0.28) |
| Experience gain / (loss) adjustments on plan assets | - | - | - | - | 4.03 |

## 34. Earnings per equity share (EPS)

| Particulars | | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|---|
| (i) | Basic (in Rs.) | (1.77) | (11.28) |
| (ii) | Diluted (in Rs.)* | (1.77) | (11.28) |

### (i) Basic earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

| Particulars | | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|---|
| (i) | Profit/(Loss) for the year attributable to shareholders of the Company (Rs. in million) | (344.10) | (2,083.74) |
| (ii) | Profit/(Loss) used in the calculation of basic earnings per share (Rs. in million) | (344.10) | (2,083.74) |
| (iii) | Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each) | 19,47,25,448 | 18,47,66,035 |

### (ii) Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows:

| Particulars | | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|---|
| (i) | Profit/(Loss) used in the calculation of diluted earnings per share (Rs. in million) | (344.10) | (2,083.74) |
| (ii) | Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each) | 19,47,25,448 | 18,47,66,035 |
| (iii) | Shares deemed to be issued for no consideration in respect of: | | |
| | - employee options | - | - |
| (iv) | Weighted average number of equity shares used in the calculation of diluted earnings per share (ii+iii) | 19,47,25,448 | 18,47,66,035 |

* There are no potential dilutive equity shares.

## 35. Related Party Disclosures

### I. List of related parties

**a. Joint venture**

1. Macro Commerce Private Limited (upto 15 July, 2016)

**b. Associate entities**

1. Den Satellite Network Private Limited
2. DEN ADN Network Private Limited
3. CCN DEN Network Private Limited

**c. Entities in which KMP can exercise significant influence**

1. Lucid Systems Private Limited
2. Verve Engineering Private Limited

**d. Key managerial personnel**

1. Mr. Sameer Manchanda (Chairman and Managing Director)
2. Mr. S.N Sharma (Chief Executive Officer)

**e. Other related party- employees welfare trust**

1 DNL Employees Welfare Trust

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

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

| Particulars | | Associates entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|
| **A.** | **Transactions during the year** | | | | | |
| **i.** | **Sale of services** | | | | | |
| | Den Satellite Network Private Limited | 265.44 | - | - | - | 265.44 |
| | | (275.78) | (-) | (-) | (-) | (275.78) |
| | CCN DEN Network Private Limited | 42.96 | - | - | - | 42.96 |
| | | (35.82) | (-) | (-) | (-) | (35.82) |
| | DEN ADN Network Private Limited | 26.98 | - | - | - | 26.98 |
| | | (16.34) | (-) | (-) | (-) | (16.34) |
| | **Total** | **335.38** | **-** | **-** | **-** | **335.38** |
| | | **(327.94)** | **(-)** | **(-)** | **(-)** | **(327.94)** |
| **ii.** | **Other income** | | | | | |
| **a.** | **Interest income on financial assets carried at amortised cost** | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | - | - |
| | | (0.95) | (-) | (-) | (-) | (0.95) |
| | CCN DEN Network Private Limited | 27.31 | - | - | - | 27.31 |
| | | (-) | (-) | (-) | (-) | (-) |
| | DEN ADN Network Private Limited | 10.51 | - | - | - | 10.51 |
| | | (-) | (-) | (-) | (-) | (-) |
| | **Total** | **37.82** | **-** | **-** | **-** | **37.82** |
| | | **(0.95)** | **(-)** | **(-)** | **(-)** | **(0.95)** |
| **iii.** | **Purchase of services** | | | | | |
| | CCN DEN Network Private Limited | 26.77 | - | - | - | 26.77 |
| | | (25.12) | (-) | (-) | (-) | (25.12) |
| | DEN ADN Network Private Limited | 14.78 | - | - | - | 14.78 |
| | | (14.32) | (-) | (-) | (-) | (14.32) |
| | Den Satellite Network Private Limited | 132.92 | - | - | - | 132.92 |
| | | (128.32) | (-) | (-) | (-) | (128.32) |
| | **Total** | **174.47** | **-** | **-** | **-** | **174.47** |
| | | **(167.76)** | **(-)** | **(-)** | **(-)** | **(167.76)** |
| **iv.** | **Compensation of Key Managerial Personnel The remuneration of key managerial personnel during the year was as follows:** | | | | | |

| | Particulars | Associates entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|
| | -Short-term employee benefits | - | - | - | 98.22 | 98.22 |
| | | (-) | (-) | (-) | (48.55) | (48.55) |
| | -Post-employment benefits | - | - | - | 5.56 | 5.56 |
| | | (-) | (-) | (-) | (5.32) | (5.32) |
| | -Share-based payments to employees | - | - | - | 53.00 | 53.00 |
| | | (-) | (-) | (-) | (87.30) | (87.30) |
| | **Total** | **-** | **-** | **-** | **156.78** | **156.78** |
| | | **(-)** | **(-)** | **(-)** | **(141.17)** | **(141.17)** |
| **v.** | **Allowance on trade receivables and advances** | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | - | - |
| | | (2.48) | (-) | (-) | (-) | (2.48) |
| | **Total** | **-** | **-** | **-** | **-** | **-** |
| | | **(2.48)** | **(-)** | **(-)** | **(-)** | **(2.48)** |
| **vi.** | **Reimbursement of expenses (received)** | | | | | |
| | CCN DEN Network Private Limited | - | - | - | - | - |
| | | (0.01) | (-) | (-) | (-) | (0.01) |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | - | - |
| | | (0.04) | (-) | (-) | (-) | (0.04) |
| | | | | | | - |
| | **Total** | **-** | **-** | **-** | **-** | **-** |
| | | **(0.05)** | **(-)** | **(-)** | **(-)** | **(0.05)** |
| **vii.** | **Investments made during the year (Equity and/or preference share capital)** | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | - | - |
| | | (104.50) | (-) | (-) | (-) | (104.50) |
| | **Total** | **-** | **-** | **-** | **-** | **-** |
| | | **(104.50)** | **(-)** | **(-)** | **(-)** | **(104.50)** |
| **viii.** | **Investments sold during the year (Equity share capital)** | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | 6.40 | - | - | - | 6.40 |
| | | (80.00) | (-) | (-) | (-) | (80.00) |
| | **Total** | **6.40** | **-** | **-** | **-** | **6.40** |
| | | **(80.00)** | **(-)** | **(-)** | **(-)** | **(80.00)** |
| **ix.** | **Loans received back during the year** | | | | | |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | - | - | - | - | - |
| | | (192.49) | (-) | (-) | (-) | (192.49) |
| | DEN ADN Network Private Limited | 5.00 | - | - | - | 5.00 |
| | | (-) | (-) | (-) | (-) | (-) |
| | **Total** | **5.00** | **-** | **-** | **-** | **5.00** |
| | | **(192.49)** | **(-)** | **(-)** | **(-)** | **(192.49)** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**B. Outstanding balances at year end**

| Particulars | | | Associates entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|
| **i.** | **Investments in associates and joint venture (Equity and/or preference share capital)** | | | | | | |
| | Den Satellite Network Private Limited | 31 March, 2018 | 686.14 | - | - | - | 686.14 |
| | | 31 March, 2017 | (668.73) | (-) | (-) | (-) | (668.73) |
| | | 1 April, 2016 | (660.93) | (-) | (-) | (-) | (660.93) |
| | DEN ADN Network Private Limited | 31 March, 2018 | 50.51 | - | - | - | 50.51 |
| | | 31 March, 2017 | (50.01) | (-) | (-) | (-) | (50.01) |
| | | 1 April, 2016 | (44.31) | (-) | (-) | (-) | (44.31) |
| | CCN DEN Network Private Limited | 31 March, 2018 | 2.26 | - | - | - | 2.26 |
| | | 31 March, 2017 | (25.86) | (-) | (-) | (-) | (25.86) |
| | | 1 April, 2016 | (30.91) | (-) | (-) | (-) | (30.91) |
| | Macro Commerce Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | | | **738.91** | **-** | **-** | **-** | **738.91** |
| | | | **(744.60)** | **(-)** | **(-)** | **(-)** | **(744.60)** |
| | | | **(736.15)** | **(-)** | **(-)** | **(-)** | **(736.15)** |
| **ii.** | **Other financial assets** | | | | | | |
| **a.** | **Advances recoverable** | | | | | | |
| | Den Satellite Network Private Limited | 31 March, 2018 | 7.17 | - | - | - | 7.17 |
| | | 31 March, 2017 | (1.00) | (-) | (-) | (-) | (1.00) |
| | | 1 April, 2016 | (1.00) | (-) | (-) | (-) | (1.00) |
| | CCN DEN Network Private Limited | 31 March, 2018 | 0.25 | - | - | - | 0.25 |
| | | 31 March, 2017 | (0.25) | (-) | (-) | (-) | (0.25) |
| | | 1 April, 2016 | (7.66) | (-) | (-) | (-) | (7.66) |
| | DEN ADN Network Private Limited | 31 March, 2018 | 11.01 | - | - | - | 11.01 |
| | | 31 March, 2017 | (0.17) | (-) | (-) | (-) | (0.17) |
| | | 1 April, 2016 | (2.00) | (-) | (-) | (-) | (2.00) |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (0.04) | (-) | (-) | (-) | (0.04) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | Macro Commerce Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (0.05) | (-) | (-) | (0.05) |
| | Lucid Systems Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (-) | (0.02) | (-) | (0.02) |
| | **Total** | | **18.43** | **-** | **-** | **-** | **18.43** |
| | | | **(1.46)** | **(-)** | **(-)** | **(-)** | **(1.46)** |
| | | | **(10.66)** | **(0.05)** | **(0.02)** | **(-)** | **(10.73)** |
| **b.** | **Unbilled revenue** | | | | | | |
| | Den Satellite Network Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (0.32) | (-) | (-) | (-) | (0.32) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | **Total** | | **-** | **-** | **-** | **-** | **-** |
| | | | **(0.32)** | **(-)** | **(-)** | **(-)** | **(0.32)** |
| | | | **(-)** | **(-)** | **(-)** | **(-)** | **(-)** |
| **c.** | **Interest accrued but not due** | | | | | | |
| | CCN DEN Network Private Limited | 31 March, 2018 | 66.05 | - | - | - | 66.05 |
| | | 31 March, 2017 | (34.15) | (-) | (-) | (-) | (34.15) |
| | | 1 April, 2016 | (22.88) | (-) | (-) | (-) | (22.88) |
| | DEN ADN Network Private Limited | 31 March, 2018 | 1.40 | - | - | - | 1.40 |

| | Particulars | | Associates entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|
| | | 31 March, 2017 | (7.36) | (-) | (-) | (-) | (7.36) |
| | | 1 April, 2016 | (7.57) | (-) | (-) | (-) | (7.57) |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (0.96) | (-) | (-) | (-) | (0.96) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | **Total** | | **67.45** | **-** | **-** | **-** | **67.45** |
| | | | **(42.47)** | **(-)** | **(-)** | **(-)** | **(42.47)** |
| | | | **(30.45)** | **(-)** | **(-)** | **(-)** | **(30.45)** |
| **d.** | **Receivable on sale of property, plant and equipment** | | | | | | |
| | CCN DEN Network Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (12.62) | (-) | (-) | (-) | (12.62) |
| | | 1 April, 2016 | (12.62) | (-) | (-) | (-) | (12.62) |
| | Den Satellite Network Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (0.12) | (-) | (-) | (-) | (0.12) |
| | | 1 April, 2016 | (30.66) | (-) | (-) | (-) | (30.66) |
| | **Total** | | **-** | **-** | **-** | **-** | **-** |
| | | | **(12.74)** | **(-)** | **(-)** | **(-)** | **(12.74)** |
| | | | **(43.28)** | **(-)** | **(-)** | **(-)** | **(43.28)** |
| **iii.** | **Trade receivables** | | | | | | |
| | Den Satellite Network Private Limited | 31 March, 2018 | 257.91 | - | - | - | 257.91 |
| | | 31 March, 2017 | (534.89) | (-) | (-) | (-) | (534.89) |
| | | 1 April, 2016 | (417.05) | (-) | (-) | (-) | (417.05) |
| | CCN DEN Network Private Limited | 31 March, 2018 | 44.35 | - | - | - | 44.35 |
| | | 31 March, 2017 | (25.47) | (-) | (-) | (-) | (25.47) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | DEN ADN Network Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (2.56) | (-) | (-) | (-) | (2.56) |
| | | 1 April, 2016 | (10.45) | (-) | (-) | (-) | (10.45) |
| | Macro Commerce Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (4.06) | (-) | (-) | (4.06) |
| | **Total** | | **302.26** | **-** | **-** | **-** | **302.26** |
| | | | **(562.92)** | **(-)** | **(-)** | **(-)** | **(562.92)** |
| | | | **(427.50)** | **(4.06)** | **(-)** | **(-)** | **(431.56)** |
| **iv.** | **Loans** | | | | | | |
| | CCN DEN Network Private Limited | 31 March, 2018 | 182.05 | - | - | - | 182.05 |
| | | 31 March, 2017 | (182.05) | (-) | (-) | (-) | (182.05) |
| | | 1 April, 2016 | (182.05) | (-) | (-) | (-) | (182.05) |
| | DEN ADN Network Private Limited | 31 March, 2018 | 69.39 | - | - | - | 69.39 |
| | | 31 March, 2017 | (74.39) | (-) | (-) | (-) | (74.39) |
| | | 1 April, 2016 | (74.39) | (-) | (-) | (-) | (74.39) |
| | DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (192.49) | (-) | (-) | (-) | (192.49) |
| | **Total** | | **251.44** | **-** | **-** | **-** | **251.44** |
| | | | **(256.44)** | **(-)** | **(-)** | **(-)** | **(256.44)** |
| | | | **(448.93)** | **(-)** | **(-)** | **(-)** | **(448.93)** |
| **v.** | **Trade payables** | | | | | | |
| | Den Satellite Network Private Limited | 31 March, 2018 | 41.25 | - | - | - | 41.25 |
| | | 31 March, 2017 | (313.94) | (-) | (-) | (-) | (313.94) |
| | | 1 April, 2016 | (178.12) | (-) | (-) | (-) | (178.12) |
| | DEN ADN Network Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |

| Particulars | | | Associates entities | Joint ventures | Entities in which KMP can exercise significant influence | Key management personnel | Grand total |
|---|---|---|---|---|---|---|---|
| | | 1 April, 2016 | (13.22) | (-) | (-) | (-) | (13.22) |
| | CCN DEN Network Private Limited | 31 March, 2018 | 3.89 | - | - | - | 3.89 |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (16.70) | (-) | (-) | (-) | (16.70) |
| | Macro Commerce Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (-) | (-) | (-) | (-) | (-) |
| | | 1 April, 2016 | (-) | (0.11) | (-) | (-) | (0.11) |
| | **Total** | | **45.14** | **-** | **-** | **-** | **45.14** |
| | | | **(313.94)** | **(-)** | **(-)** | **(-)** | **(313.94)** |
| | | | **(208.04)** | **(0.11)** | **(-)** | **(-)** | **(208.15)** |
| **vi.** | **Other current liabilities** | | | | | | |
| **a.** | **Deferred revenue** | | | | | | |
| | CCN DEN Network Private Limited | 31 March, 2018 | - | - | - | - | 2.24 |
| | | 31 March, 2017 | (2.24) | (-) | (-) | (-) | (2.24) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | DEN ADN Network Private Limited | 31 March, 2018 | - | - | - | - | 0.79 |
| | | 31 March, 2017 | (0.79) | (-) | (-) | (-) | (0.79) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | Den Satellite Network Private Limited | 31 March, 2018 | 0.13 | - | - | - | 0.13 |
| | | 31 March, 2017 | (2.62) | (-) | (-) | (-) | (2.62) |
| | | 1 April, 2016 | (-) | (-) | (-) | (-) | (-) |
| | **Total** | | **0.13** | **-** | **-** | **-** | **0.13** |
| | | | **(5.65)** | **(-)** | **(-)** | **(-)** | **(5.65)** |
| | | | **(-)** | **(-)** | **(-)** | **(-)** | **(-)** |
| **b.** | **Advance from customers** | | | | | | |
| | DEN ADN Network Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (5.68) | (-) | (-) | (-) | (5.68) |
| | | 1 April, 2016 | (15.47) | (-) | (-) | (-) | (15.47) |
| | CCN DEN Network Private Limited | 31 March, 2018 | - | - | - | - | - |
| | | 31 March, 2017 | (0.98) | (-) | (-) | (-) | (0.98) |
| | | 1 April, 2016 | (8.83) | (-) | (-) | (-) | (8.83) |
| | **Total** | | **-** | **-** | **-** | **-** | **-** |
| | | | **(6.66)** | **(-)** | **(-)** | **(-)** | **(6.66)** |
| | | | **(24.30)** | **(-)** | **(-)** | **(-)** | **(24.30)** |

vii. Amount recoverable from DNL Employees Welfare Trust as at 31 March, 2018: Rs. 0.36 million (As at 31 March, 2017: Rs. 0.36 million; As at 1 April, 2016: Rs. 0.36 million)

viii. The Parent has granted a corporate guarantee of Rs. Nil (As at 31 March, 2017: Rs. 250 million; As at 1 April, 2016: Rs. 250 million) for a term loan taken from bank by an associate company, Den Satellite Network Private Limited. The outstanding amount of the term loan as at the end of the year amounted to Nil (As at 31 March, 2017: Rs. 74.75 million, 1 April, 2016 : Rs. 121.33 million).

ix. Lucid Systems Private Limited ('LSPL') has granted guarantee by way of pledge of 6.00 million (31 March, 2017 - 8.20 million, 1 April, 2016 - 5.50 million) equity shares held in the Parent by LSPL for loans taken by the Parent from a financial institution and banks. The outstanding amount of loans as at the end of the year aggregated to Rs. 1,180.75 million (As at 31 March, 2017: Rs. 1,202.73 million, 1 April, 2016: Rs. 355.59 million).

## 36. Share Based payments

### A. Employee Stock Option Plan 2010 ("ESOP 2010")

#### a) Details of the employee share option plan of the Parent

The weighted average fair value of the share options granted under ESOP 2010 during the financial year is Rs. 38.97 (during the year ended 31 March, 2017: Rs. 29.11). Options were priced using Black Scholes model.

The Parent had established an Employee Stock Option Plan (ESOP 2010) in accordance with "Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014" and "the Securities and Exchange Board of India (Share Based Employee Benefits) (Amendment) Regulation, 2015", which has been approved by the Board of Directors and the shareholders of the Parent. A Nomination and Remuneration / Compensation Committee comprising majority of independent, non-executive members of the Board of Directors administers the ESOPs. All option under the ESOPs are exercisable for equity shares. The Parent had taken approval of the Shareholders to grant and allot upto 5,219,599 equity options under the said scheme. The total outstanding options under the scheme are 482,500 equity options.

There shall be a minimum period of one year between the grant of options and vesting of options. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up of the Parent on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

As per approval of the shareholder, the Parent may issue options to employees of the Parent/ subsidiaries/ directors of the subsidiaries.

Each employee share option converts into one equity share of the Parent on exercise. No amounts are paid or payable by the receipt of the option. The options carry neither rights to dividend nor voting rights. Options may be exercised at any time form the date of vesting to the date of their expiry.

During the year ended 31 March, 2018, the Nomination and Remuneration/Compensation Committee has granted 100,000 options under Employee Stock Option Plan - 2010 to an eligible employee of the Parent.

The following share based arrangements were in existence during the current and prior years :

| Options Series | | Number | Grant date | Expiry date | Forfeiture date | Exercise Price (in Rs.) | Fair value at grant date (in Rs.) |
|---|---|---|---|---|---|---|---|
| 1 | DEN ESOP Scheme, 2010 (Granted on 13 February, 2015) | 4,30,000 | 13-Feb-15 | 12-Feb-18 | 01-Apr-16 | 160.00 | 16.40 |
| | | 2,00,000 | 13-Feb-15 | 12-Feb-18 | 15-Feb-17 | 160.00 | 16.40 |
| | | 2,55,000 | 13-Feb-15 | 12-Feb-18 | 12-Feb-17 | 160.00 | 16.40 |
| | | 2,12,500 | 13-Feb-15 | 12-Feb-18 | 12-Feb-18 | 160.00 | 26.76 |
| | | 2,12,500 | 13-Feb-15 | 12-Feb-19 | - | 160.00 | 35.52 |
| | | 1,70,000 | 13-Feb-15 | 12-Feb-20 | - | 160.00 | 43.08 |
| 2 | DEN ESOP Scheme, 2010 (Granted on 16 March, 2015) | 2,00,000 | 16-Mar-15 | 15-Mar-20 | 30-Apr-16 | 160.00 | 16.93 |
| 3 | DEN ESOP Scheme, 2010 (Granted on 01 January, 2018) | 1,00,000 | 01-Jan-18 | 31-Dec-19 | - | 80.00 | 39.32 |

All options vested on their date of grant and expiry within twelve months of their issue, or one month after the resignation of the executive or senior employee, whichever is earlier.

**b) Fair value of share options granted in the year**

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant. The Parent has granted 4,026,195 options upto 31 March, 2018.

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions:

| | 850,000 Options (Vesting Period -4 Years) | | | | 100,000 Options (Vesting Period -1 Year) |
|---|---|---|---|---|---|
| | 1st Year | 2nd Year | 3rd Year | 4th Year | 1st Year |
| Grant date share price | 111.50 | 111.50 | 111.50 | 111.50 | |
| Exercise price | 160.00 | 160.00 | 160.00 | 160.00 | 105.90 |
| Expected volatility (in %) | 48.00% | 48.00% | 48.00% | 48.00% | 80.00 |
| Option life (in years) | 1.50 | 2.50 | 3.50 | 4.50 | 41.80% |
| Dividend yield (in %) | Nil | Nil | Nil | Nil | 1.50 |
| Risk-free interest rate (in %) | 7.93% | 7.88% | 7.85% | 7.81% | Nil |
| | | | | | 6.62% |

The volatility of the options is based on the historical volatility of the share price since the Parent's equity shares are publicly traded, which may be shorter than the term of the options.

**c) Movement in share options during the year**

The following reconciles the share options outstanding at the beginning and end of the year :

| Particulars | 2017-2018 | | 2016-2017 | | 2015-2016 | |
|---|---|---|---|---|---|---|
| | Number of options | Weighted average exercise price (in Rs.) | Number of options | Weighted average exercise price (in Rs.) | Number of options | Weighted average exercise price |
| Balance at the beginning of the year | 5,95,000 | 160.00 | 16,80,000 | 160.00 | 16,80,000 | 160.00 |
| Granted during the year | 1,00,000 | 80.00 | - | - | - | - |
| Forfeited during the year | - | | - | - | - | - |
| Exercised during the year | - | | - | - | - | - |
| Expired during the year | 2,12,500 | 160.00 | 10,85,000 | 160.00 | - | - |
| **Balance at the end of the year** | **4,82,500** | **143.42** | **5,95,000** | **160.00** | **16,80,000** | **160.00** |

**d) Share options outstanding at the end of the year**

The share options outstanding at the end of the year had remaining contractual life of 1.41 years (as at 31 March, 2017 is 1.26 years; as at 1 April, 2016 is 2.21 years).

**B. Employee Stock Option Plan 2014 ("ESOP 2014")**

**a) Details of the employee share option plan of the Parent**

The weighted average fair value of the share options granted under ESOP 2014 during the financial year is Rs. 20.75 (during the year ended 31 March, 2017: Rs. 57.03). Options were priced using Black Scholes model.

The shareholders of the Parent vide shareholders approval through postal ballot dated 5 January, 2015 had approved purchase upto 2.5% of paid-up equity share capital of the Parent from the secondary market under the DEN ESOP Plan A- 2014. Further, the shareholders of the Parent vide shareholders approval through postal ballot dated 23 June, 2015, terminated the DEN ESOP Plan A- 2014 and allocated the same option under DEN ESOP Plan B -2014. After approval, the total number of equity shares under the DEN ESOP Plan B-2014 has increased to 8,909,990.

During the year ended 31 March, 2018, the Parent had issued and allotted 1.75 million equity shares of Rs. 10 each to an eligible employee arising from exercise of ESOPs under the 'ESOP Plan 2014.

The Parent has approved a share option scheme for the executives and senior employees of the Parent and its subsidiaries.

The following share based arrangements were in existence during the current and prior years :

| Options Series | | Number | Grant date | Expiry date | Forfeiture date | Exercise Price | Fair value at grant date |
|---|---|---|---|---|---|---|---|
| 1 | DEN ESOP Plan B-2014 (Granted on 16 January, 2015) | 28,00,000 | 16-Jan-15 | 15-Jan-20 | 27-Jan-17 | 160.00 | 21.44 |
| 2 | DEN ESOP Plan B-2014 (Granted on 2 February, 2015) | 2,40,000 | 02-Feb-15 | 01-Feb-17 | 01-Feb-17 | 160.00 | 14.51 |
| | | 2,00,000 | 02-Feb-15 | 01-Feb-18 | 24-Mar-17 | 160.00 | 24.34 |
| | | 2,00,000 | 02-Feb-15 | 01-Feb-19 | 24-Mar-17 | 160.00 | 32.79 |
| | | 1,60,000 | 02-Feb-15 | 01-Feb-20 | 24-Mar-17 | 160.00 | 40.15 |
| 3 | DEN ESOP Plan B-2014 (Granted on 10 February, 2015) | 2,40,000 | 10-Feb-15 | 09-Feb-18 | 31-Dec-17 | 160.00 | 15.35 |
| | | 2,00,000 | 10-Feb-15 | 09-Feb-19 | 31-Dec-17 | 160.00 | 25.44 |
| | | 2,00,000 | 10-Feb-15 | 09-Feb-20 | 31-Dec-17 | 160.00 | 34.04 |
| | | 1,60,000 | 10-Feb-15 | 09-Feb-21 | 31-Dec-17 | 160.00 | 41.48 |
| 4 | DEN ESOP Plan B-2014 (Granted on 13 February, 2015) | 15,000 | 13-Feb-15 | 12-Feb-17 | 01-Apr-16 | 160.00 | 16.40 |
| | | 12,500 | 13-Feb-15 | 12-Feb-18 | 01-Apr-16 | 160.00 | 26.76 |
| | | 12,500 | 13-Feb-15 | 12-Feb-19 | 01-Apr-16 | 160.00 | 35.52 |
| | | 10,000 | 13-Feb-15 | 12-Feb-20 | 01-Apr-16 | 160.00 | 43.08 |
| 5 | DEN ESOP Plan B-2014 (Granted on 3 July, 2015) | 1,00,000 | 03-Jul-15 | 03-Jul-20 | 10-Nov-16 | 160.00 | 14.63 |
| | | 50,000 | 03-Jul-15 | 03-Jul-20 | 11-Apr-16 | 160.00 | 14.63 |
| | | 1,20,000 | 03-Jul-15 | 03-Jul-17 | 03-Jul-17 | 160.00 | 7.32 |
| | | 1,00,000 | 03-Jul-15 | 03-Jul-18 | - | 160.00 | 14.63 |
| | | 1,00,000 | 03-Jul-15 | 03-Jul-19 | - | 160.00 | 21.41 |
| | | 80,000 | 03-Jul-15 | 03-Jul-20 | - | 160.00 | 27.57 |
| 6 | DEN ESOP Plan B-2014 (Granted on 19 July, 2016) [See note 36B(d)] | 7,50,000 | 19-Jul-16 | | - | 10.00 | 79.51 |
| | | 7,50,000 | 19-Jul-16 | | - | 10.00 | 79.56 |
| | | 2,50,000 | 19-Jul-16 | | - | 10.00 | 80.11 |

**b) Fair value of share options granted in the year**

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions

| | 400,000 Options (Vesting Period -4 Years) | | | |
|---|---|---|---|---|
| | 1st Year | 2nd Year | 3rd Year | 4th Year |
| Grant date share price | 108.40 | 108.40 | 108.40 | 108.40 |
| Exercise price | 160.00 | 160.00 | 160.00 | 160.00 |
| Expected volatility (in %) | 47.65% | 47.65% | 47.65% | 47.65% |
| Option life (in years) | 1.50 | 2.50 | 3.50 | 4.50 |
| Dividend yield (in %) | Nil | Nil | Nil | Nil |
| Risk-free interest rate (in %) | 7.79% | 7.78% | 7.77% | 7.76% |

The volatility of the options is based on the historical volatility of the share price since the Parent's equity shares are publicly traded, which may be shorter than the term of the options.

| Particulars | 2017-2018 | | 2016-2017 | | 2015-2016 | |
|---|---|---|---|---|---|---|
| | Number of options | Weighted average exercise price (in Rs.) | Number of options | Weighted average exercise price (in Rs.) | Number of options | Weighted average exercise price |
| Balance at the beginning of the year | 29,50,000 | 160.00 | 50,00,000 | 160.00 | 44,50,000 | 160.00 |
| Granted during the year | - | | 17,50,000 | 10.00 | 5,50,000 | 160.00 |
| Vested during the year | 18,50,000 | 18.11 | 3,00,000 | - | 13,35,000 | - |
| Exercised during the year | 17,50,000 | 10.00 | - | - | - | - |
| Expired during the year | 9,20,000 | 160.00 | 38,00,000 | - | - | - |
| **Balance at the end of the year** | **2,80,000** | **160.00** | **29,50,000** | **31.04** | **50,00,000** | **160.00** |

**d) Share options exercised during the year**

The following share options were exercised during the year :

| Options Series | | Number exercised | Exercise date | Share price at exercise date (in Rs.) |
|---|---|---|---|---|
| 1 | Granted on 19 July, 2016 | 7,50,000 | 21-Jul-17 | 79.30 |
| 2 | Granted on 19 July, 2016 | 10,00,000 | 12-Aug-17 | 76.70 |

**e) Share options outstanding at the end of the year**

The share options outstanding at the end of the year had remaining contractual life of 1 year (as at 31 March, 2017 is 1.39 years; as at 1 April, 2016 is 1.76 years).

**37. Goodwill on consolidation**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Cost or deemed cost | 1,989.24 | 1,967.14 | 1,809.69 |
| Accumulated impairment loss | (343.34) | (343.34) | (171.65) |
| | **1,645.90** | **1,623.80** | **1,638.04** |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| **Cost or deemed cost** | | |
| Balance at the beginning of year | **1,967.14** | **1,809.69** |
| Additional amount recognised from business combinations occuring during the year (See note 52) | 25.54 | 157.45 |
| Derecognised on disposal of a subsidiary | (3.44) | - |
| **Balance at the end of year** | | |
| | **1,989.24** | **1,967.14** |
| **Accumulated impairment loss** | | |
| Balance at the beginning of year | 343.34 | 171.65 |
| Impairment losses recognised during the year | - | 171.69 |
| **Balance at the end of year** | **343.34** | **343.34** |

**Impairment of goodwill**

For the purpose of impairment testing, goodwill has been allocated to the cash generating unit (CGU)- cable segment.

The recoverable amount of this cash-generating unit is determined based on a value in use calculation which uses cash flow projections based on financial forecasts covering a five-year period, and a discount rate of 10% per annum (as at 31 March, 2017: 9.60% per annum; as at 1 April, 2016: 8.81%)

Cash flow projections during the forecast period are based on the same expected gross margins and inflation throughout the forecast period. The cash flows beyond that five-year period have been extrapolated using a steady growth rate of 2% per annum (as at March 31, 2017: 2% per annum; as at 1 April, 2016: 2% per annum) which is the projected long-term average growth rate for Cable CGU. The directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

Based on impairment testing as above, the management has accounted for a provision for impairment loss amounting to Rs. Nil and Rs. 171.69 million for the years ended 31 March, 2018 and 31 March, 2017 respectively.

## 38. Financial Instruments

a) Capital Management

The Company's management reviews the capital structure of the Company on periodical basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company monitors the capital structure using gearing ratio which is determined as the proportion of net debt to total equity.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 17, 15 and 19 and offset by cash and bank balances and current investments in notes 9, 11,12 and 5) and total equity of the Company.

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, non-current and current borrowings. The Company's policy is to use non-current and current borrowings to meet anticipated funding requirements.

Gearing ratio

The gearing ratio at end of the reporting period was as follows

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **Debt** | | | |
| Borrowings- current (See Note 17) | 1,050.29 | 1,227.70 | 2,853.29 |
| Borrowings- non current (See Note 15) | 3,141.15 | 1,879.70 | 3,277.06 |
| Current maturities of long term debt (See Note 19) | 1,113.54 | 1,929.88 | 2,407.92 |
| Book overdraft (See note 19) | 110.05 | 181.94 | 374.15 |
| | **5,415.03** | **5,219.22** | **8,912.42** |
| **Less:** | | | |
| Cash and cash equivalents (See Note 11) | 1,509.02 | 868.00 | 1,605.08 |
| Current investments (See Note 9) | 529.84 | 266.79 | 357.28 |
| Bank balances (See Note 12) | 1,675.04 | 2,391.40 | 3,535.51 |
| Other financial assets (See Note 5) | 126.11 | - | - |
| **Net debt** | **1,575.02** | **1,693.03** | **3,414.55** |
| **Total equity** | **7,859.64** | **8,131.90** | **8,695.06** |
| **Net debt to equity ratio** | **20.04%** | **20.82%** | **39.27%** |

**(b) Financial risk management objective and policies**

Financial assets and liabilities:

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

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**As at 31 March, 2018**

**(Rs. in million)**

| Financial assets | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 1,509.02 | - | - | 1,509.02 |
| Bank balances other than cash and cash equivalents | 1,675.04 | - | | 1,675.04 |
| Trade receivables | 3,022.97 | - | - | 3,022.97 |
| Current investments | - | - | 529.84 | 529.84 |
| Loans | 360.92 | - | - | 360.92 |
| Security deposits | 101.95 | - | - | 101.95 |
| Other financial assets | 701.45 | - | - | 701.45 |
| | **7,371.35** | **-** | **529.84** | **7,901.19** |

Investment in equity shares of associates carried at cost less impairment **738.91**

| Financial liabilities | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Borrowings - non-current | 3,141.15 | - | - | 3,141.15 |
| Borrowings - current | 1,050.29 | - | - | 1,050.29 |
| Trade payables | 3,454.04 | - | - | 3,454.04 |
| Other financial liabilities - non-current | 4.00 | - | - | 4.00 |
| Other financial liabilities - current | 1,689.81 | - | - | 1,689.81 |
| | **9,339.29** | **-** | **-** | **9,339.29** |

**As at 31 March, 2017**

**(Rs. in million)**

| Financial assets | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 868.00 | - | - | 868.00 |
| Bank balances other than cash and cash equivalents | 2,391.40 | - | | 2,391.40 |
| Trade receivables | 2,346.60 | - | - | 2,346.60 |
| Current investments | - | - | 266.79 | 266.79 |
| Loans | 700.60 | - | - | 700.60 |
| Security deposits | 101.36 | - | - | 101.36 |
| Other financial assets | 278.48 | - | - | 278.48 |
| | **6,686.44** | **-** | **266.79** | **6,953.23** |

Investment in equity shares of associates carried at cost less impairment **744.60**

**(Rs. in million)**

| Financial liabilities | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Borrowings - non-current | 1,879.70 | - | - | 1,879.70 |
| Borrowings - current | 1,227.70 | - | - | 1,227.70 |
| Trade payables | 3,304.55 | - | - | 3,304.55 |
| Other financial liabilities - non-current | 5.50 | - | - | 5.50 |
| Other financial liabilities - current | 2,737.85 | - | - | 2,737.85 |
| | **9,155.30** | **-** | **-** | **9,155.30** |

**As at 1 April, 2016**

**(Rs. in million)**

| Financial assets | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Cash and cash equivalents | 1,605.08 | - | - | 1,605.08 |
| Bank balances other than cash and cash equivalents | 3,535.51 | - | | 3,535.51 |
| Trade receivables | 2,529.37 | - | - | 2,529.37 |
| Current investments | - | - | 357.28 | 357.28 |
| Loans | 731.12 | - | - | 731.12 |
| Security deposits | 95.50 | - | - | 95.50 |
| Other financial assets | 425.94 | - | - | 425.94 |
| | **8,922.52** | **-** | **357.28** | **9,279.80** |

Investment in equity shares of joint venture and associates carried at cost less impairment **774.18**

**(Rs. in million)**

| Financial liabilities | Measured at amortised cost | Measured at FVTOCI | Measured at FVTPL | Total carrying value |
|---|---|---|---|---|
| Borrowings - non-current | 3,277.06 | - | - | 3,277.06 |
| Borrowings - current | 2,853.29 | - | - | 2,853.29 |
| Trade payables | 2,821.53 | - | - | 2,821.53 |
| Other financial liabilities - non-current | 3.21 | - | - | 3.21 |
| Other financial liabilities - current | 3,975.30 | - | - | 3,975.30 |
| | **12,930.39** | **-** | **-** | **12,930.39** |

**(c) Risk management framework**

The Group is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The objective of the Group's risk management framework is to manage the above risks and aims to :

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- provide management with reliable information on the Group's risk exposure
- improve financial returns

**(i) Market risk**

Market risk is the risk that the fair value of financial instrument will fluctuate because of change in market price. Market risk comprises of three types of risks - interest risk - See - 38 c (iv), foreign currency - See - 38 c (iii), and other price risk - See - 38 c (v), such as equity price risk.

The Group's activities expose it primarily to interest rate risk, currency risk and other price risk such as equity price risk. The financial instruments affected by market risk includes : Fixed deposits, current investments, borrowings and other current financial liabilities.

**(ii) Liquidity risk**

The Group requires funds both for short-term operational needs as well as for long-term investment needs.

The Group remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the balance sheet. The maturity profile of the Group'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 Group.

| Financial liabilities | As at 31 March, 2018 | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-3 Years | 3-5 Years | > 5 Years | Total |
| Non current | | | | | |
| -Borrowings* | - | 3,454.76 | 139.95 | - | 3,594.71 |
| -Other financial liabilities | - | 4.00 | - | - | 4.00 |
| Current | | | | | |
| -Borrowings | 1,050.29 | - | - | - | 1,050.29 |

| | As at 31 March, 2018 | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-3 Years | 3-5 Years | > 5 Years | Total |
| -Interest accrued | 11.04 | - | - | - | 11.04 |
| -Trade payables | 3,454.04 | - | - | - | 3,454.04 |
| -Other financial liabilities | 565.23 | - | - | - | 565.23 |
| **Total** | **6,194.14** | **3,458.76** | **139.95** | **-** | **9,792.85** |

| | As at 31 March, 2017 | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-3 Years | 3-5 Years | > 5 Years | Total |
| Non current | | | | | |
| -Borrowings* | - | 1,950.63 | 392.41 | - | 2,343.04 |
| -Other financial liabilities | - | 5.50 | - | - | 5.50 |
| Current | | | | | - |
| -Borrowings | 1,227.70 | - | - | - | 1,227.70 |
| -Current maturities of long term debt* | 2,287.77 | - | - | - | 2,287.77 |
| -Interest accrued | 28.35 | - | - | - | 28.35 |
| -Trade payables | 3,304.55 | - | - | - | 3,304.55 |
| -Other financial liabilities | **779.62** | **-** | **-** | **-** | **779.62** |
| **Total** | **7,627.99** | **1,956.13** | **392.41** | **-** | **9,976.53** |

| | As at 01 April, 2016 | | | | |
|---|---|---|---|---|---|
| | <1 year | 1-3 Years | 3-5 Years | > 5 Years | Total |
| Non current | | | | | |
| Borrowings* | - | 3,723.79 | 374.50 | - | 4,098.29 |
| Other financial liabilities | - | 3.21 | - | - | 3.21 |
| Current | | | | | |
| Borrowings | 2,853.29 | - | - | - | 2,853.29 |
| Current maturities of long term debt* | 2,749.24 | - | - | - | 2,749.24 |
| Interest accrued | 53.83 | - | - | - | 53.83 |
| Trade payables | 2,821.53 | - | - | - | 2,821.53 |
| Other financial liabilities | 1,513.55 | - | - | - | 1,513.55 |
| **Total** | **9,991.44** | **3,727.00** | **374.50** | **-** | **14,092.94** |

*includes undiscounted interest.

As at 31 March, 2018, the Group had access to fund based facilities of Rs. 6,024.76 million, of which Rs. 719.78 million were yet not drawn, as set out below:

| | Total Facility (Rs. in million) | Drawn (Rs. in million) | Undrawn (Rs. in million) |
|---|---|---|---|
| | 6,024.76 | 5,394.98 | 719.78 |
| **Total** | **6,024.76** | **5,394.98** | **719.78** |

As at 31 March, 2017, the Group had access to fund based facilities of Rs. 5,580.07 million, of which Rs. 661.41 million were yet not drawn, as set out below:

| | Total Facility (Rs. in million) | Drawn (Rs. in million) | Undrawn (Rs. in million) |
|---|---|---|---|
| | 5,698.69 | 5,037.28 | 661.41 |
| **Total** | **5,698.69** | **5,037.28** | **661.41** |

As at 1 April, 2016, the Group had access to funding facilities of Rs. 10,166.27 million, of which Rs. 1,628.00 million were yet not drawn, as set out below:

| | Total Facility (Rs. in million) | Drawn (Rs. in million) | Undrawn (Rs. in million) |
|---|---|---|---|
| | 9,910.07 | 8,282.07 | 1,628.00 |
| **Total** | **9,910.07** | **8,282.07** | **1,628.00** |

**(iii) Foreign currency risk**

Foreign exchange risk comprises of risk that may be expected to the Group because of fluctuations in foreign currency exchange rates. Fluctuations in foreign currency exchange rates may have an impact on the Statements of Profit and Loss. As at the year end, the Group was exposed to foreign exchange risk arising from foreign currency payables and buyer's credit denominated in foreign currency availed by the Group.

The carrying amounts of the Group foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

**(Rs. in million)**

| | As at 31.03.2018 | | As at 31.03.2017 | |
|---|---|---|---|---|
| | Financial assets | Financial liabilities | Financial assets | Financial liabilities |
| USD | - | 8.74 | - | 23.74 |
| Equivalent INR | - | 568.53 | - | 1,538.70 |
| | | | As at 31.03.2016 | |
| | | | Financial assets | Financial liabilities |
| USD | | | - | 58.34 |
| Equivalent INR | | | - | 3,870.00 |

The results of Group's operations may be affected by fluctuations in the exchange rates between the Indian Rupee against the US dollar. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 1% against the functional currency of the Group.

For the year ended 31 March, 2018 and 31 March, 2017, every 100 basis points depreciation/ appreciation in the exchange rate between the Indian rupee and U.S. dollar will decrease/increase the Group's losses before tax by Rs. 5.69 million (31 March, 2017 : Rs. 15.39 million).

**(iv) Interest rate risk**

The Group is exposed to interest rate risk on current and non-current borrowings and fixed deposits outstanding as at the year end. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees. The US dollar debt representing the buyers credit facility availed by the Group is composite of fixed and floating rates (linked to US dollar LIBOR). These exposures are reviewed by appropriate levels of management on a monthly basis. The Group invests in fixed deposits to achieve the Group's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

The exposure of the Group's financial liabilities as at 31 March, 2018 to interest rate risk is as follows:

**(Rs. in million)**

| | Floating rate | Fixed rate | Non interest bearing | Total |
|---|---|---|---|---|
| **Non current** | | | | |
| Borrowings | 3,141.15 | - | - | 3,141.15 |
| **Current** | | | | |
| Borrowings | 1,050.29 | - | - | 1,050.29 |
| Current maturities of long term debt | 1,113.54 | - | - | 1,113.54 |
| | **5,304.98** | **-** | **-** | **5,304.98** |
| Fixed deposits | - | 1,842.18 | - | **1,842.18** |
| Weighted average interest rate (per annum) | | | | |
| Buyer's credit (denominated in FC) | 3.20% to 3.40% | NA | | |
| Others | 10.30% to 12.3% | 8.55% | | |

**The exposure of the Group's financial liabilities as at 31 March, 2017 to interest rate risk is as follows:**

**(Rs. in million)**

| | Floating rate | Fixed rate | Non interest bearing | Total |
|---|---|---|---|---|
| **Non current** | | | | |
| Borrowings | 1,451.54 | 428.16 | - | 1,879.70 |
| **Current** | | | | |
| Borrowings | 1,227.70 | - | - | 1,227.70 |
| Current maturities of long term debt | 813.85 | 1,116.03 | - | 1,929.88 |
| | **3,493.09** | **1,544.19** | **-** | **5,037.28** |
| Fixed deposits | - | 2,546.37 | - | **2,546.37** |
| Weighted average interest rate (per annum) | | | | |
| Buyer's credit | 1.80% to 2.10% | NA | | |
| Others | 10.30% to 12.3% | 8.55% | | |

**The exposure of the Group's financial liabilities as at 1 April, 2016 to interest rate risk is as follows:**

**(Rs. in million)**

| | Floating rate | Fixed rate | Non interest bearing | Total |
|---|---|---|---|---|
| **Non current** | | | | |
| Borrowings | 1,732.86 | 1,544.20 | - | 3,277.06 |
| **Current** | | | | |
| Borrowings | 2,853.29 | - | - | 2,853.29 |
| Current maturities of long term debt | 1,040.86 | 1,367.06 | - | 2,407.92 |
| | **5,627.01** | **2,911.26** | **-** | **8,538.27** |
| Fixed deposits | - | 3,814.30 | - | **3,814.30** |
| Weighted average interest rate (per annum) | | | | |
| Buyer's credit | 1.4% to 1.6% | NA | | |
| Others | 10.3% to 12.5% | 8.55% | | |

**Interest rate sensitivity analysis on borrowings:**

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's losses before tax for the year ended March 31, 2018 would decrease/increase by Rs. 5.41 million (year ended 31 March, 2017 : Rs. 5.77 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

**Interest rate sensitivity analysis on fixed deposits:**

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's losses before tax for the year ended 31 March, 2018 would decrease/increase by Rs. 1.55 million (year ended 31 March, 2017 : Rs. 2.39 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

**(v) Other price risk**

The Group is exposed to price risks arising from fair valuation of Group's investment in mutual funds. These investments are held for short term purposes. The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting year

If prices had been 100 basis points higher/lower, loss before tax for the year ended 31 March, 2018 would decrease/increase by Rs. 5.30 million (for the year ended 31 March, 2017: Rs. 2.67 million) as a result of the changes in fair value of these investments which have been designated as at FVTPL.

**(vi) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's exposure to credit risk primarily arises from trade receivables, balances with banks and security deposits. The credit risk on bank balances is limited because the counterparties are banks with good credit ratings. Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Group's policies on assessing expected credit losses is detailed in notes to accounting policies (See note 2.14). For details of exposure, default grading and expected credit loss as on the reporting year (See note 10).

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**39a. Fair value measurement**

i) Financial assets and financial liabilities that are not measured at fair value are as under:

**(Rs. in million)**

| Particulars | As at 31.03.2018 | | As at 31.03.2017 | | As at 01.04.2016 | |
|---|---|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial assets** | | | | | | |
| Cash and cash equivalents | 1,509.02 | 1,509.02 | 868.00 | 868.00 | 1,605.08 | 1,605.08 |
| Bank balances other than cash and cash equivalents | 1,675.04 | 1,675.04 | 2,391.40 | 2,391.40 | 3,535.51 | 3,535.51 |
| Trade receivables | 3,022.97 | 3,022.97 | 2,346.60 | 2,346.60 | 2,529.37 | 2,529.37 |
| Security deposits | 76.73 | 76.73 | 101.36 | 101.36 | 74.38 | 74.38 |
| Loans | 360.92 | 360.92 | 700.60 | 700.60 | 731.12 | 731.12 |
| Other financial assets | 726.67 | 726.67 | 278.48 | 278.48 | 447.06 | 447.06 |
| **Financial liabilities** | | | | | | |
| Non-current borrowings | 3,141.15 | 3,141.15 | 1,879.70 | 1,879.70 | 3,277.06 | 3,277.06 |
| Current borrowings | 1,050.29 | 1,050.29 | 1,227.70 | 1,227.70 | 2,853.29 | 2,853.29 |
| Trade payables | 3,454.04 | 3,454.04 | 3,304.55 | 3,304.55 | 2,821.53 | 2,821.53 |
| Other financial liabilities - non-current | 4.00 | 4.00 | 5.50 | 5.50 | 3.21 | 3.21 |
| Other financial liabilities - current | 1,689.81 | 1,689.81 | 2,737.85 | 2,737.85 | 3,975.30 | 3,975.30 |

**Note :** The carrying value of the above financial assets and financial liabilities carried at amortised cost approximate these fair value.

ii) Fair value hierarchy of assets measured at fair value as at 31 March, 2018; 31 March, 2017 and 1 April, 2016 is as follows:

**(Rs. in million)**

| Particulars | As at 31.03.2018 | Fair value measurement at end of the reporting period/year using | | | Valuation techniques |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | |
| **Financial assets** | | | | | |
| Investment in mutual funds | 529.84 | - | 529.84 | - | Based on the NAV report issued by the fund manager |
| **Total financial assets** | **529.84** | **-** | **529.84** | **-** | |

**(Rs. in million)**

| Particulars | As at 31.03.2018 | Fair value measurement at end of the reporting period/year using | | | Valuation techniques |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | |
| **Financial assets** | | | | | |
| Investment in mutual funds | 266.79 | - | 266.79 | - | Based on the NAV report issued by the fund manager |
| **Total financial assets** | **266.79** | **-** | **266.79** | **-** | |

**(Rs. in million)**

| Particulars | As at 31.03.2018 | Fair value measurement at end of the reporting period/year using | | | Valuation techniques |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | |
| **Financial assets** | | | | | |
| Investment in mutual funds | 357.28 | - | 357.28 | - | Based on the NAV report issued by the fund manager |
| **Total financial assets** | 357.28 | - | 357.28 | **-** | |

**39b. Reconciliation of liabilities arising from financing activities**

The table below details the changes in Company's liabilities arising from financing activities, including both cash and non-cash

**(Rs. in million)**

| Particulars | As at 31 March, 2017 | Cash Flow | Non-cash Changes | As at 31 March, 2018 |
|---|---|---|---|---|
| Non-current borrowings | 1,532.72 | 1,608.43 | - | 3,141.15 |
| Current borrowings | 3,686.50 | -1,412.62 | - | 2,273.88 |
| **Total liabilities from financing activities** | **5,219.22** | **195.81** | **-** | **5,415.03** |

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

**40.** During the year ended 31 March, 2018, the Nomination and Remuneration/Compensation Committee has granted 0.1 million options under Employee Stock Option Plan - 2010 to an eligible employee of the Company [Also see note 36A(a)]. Further, during the year ended 31 March, 2018, the Company had issued and allotted 1.75 million equity shares of Rs. 10 each to an eligible employee arising from exercise of ESOPs under the 'ESOP Plan 2014' [Also see note 36B(d)].

**41.** During the financial year 2013-14, the Parent had raised funds of Rs. 9,608.22 million by way of Qualified Institutional Placement (QIP) and Preferential Issue of Equity Shares. During the previous financial year, the Parent had also raised Rs. 1,424.34 million by way of Preferential Issue of Equity Shares (see note 43 for details of preferential issue)

| Particulars | | Amount (Rs. in million) |
|---|---|---|
| a. | 12,466,321 equity shares by way of Qualified Institutional Placement (QIP) under chapter VIII of SEBI (ICDR) Regulation, 2009 | 2,711.43 |
| b. | 31,709,384 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009 | 6,896.79 |
| c. | 15,826,039 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009 | 1,424.34 |
| **Total** | | **11,032.56** |

The utilisation details of the above proceeds are as follows:

| Particulars | | Amount (Rs. in million) |
|---|---|---|
| a. | Issue expenses incurred | 296.68 |
| b. | Utilisation for implementation of digital addressable system (DAS), broadband and other infrastructure and services | 10,735.88 |
| c. | Balance amount invested in fixed deposits | - |
| **Total** | | **11,032.56** |

**42.** The Company has consolidated the unaudited financial statements of 5 of its subsidiaries based on the financial statements as certified by the Company's management and which have not been audited by the statutory auditors of these entities. These financial statements reflect total assets of Rs. 973.28 million as at 31 March, 2018, total revenues of Rs. 494.05 million for the year ended 31 March, 2018, and and net cash inflows amounting to Rs. 40.47 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of loss after tax of Rs. 27.42 million and total comprehensive loss of Rs. 27.42 million for the year ended 31 March, 2018, as considered in the consolidated Ind AS financial statements, in respect of 1 associate, based on their financial statements which have not been audited by their auditor. The management is of the view that the adjustments, if any, arising out of the audit of the financial statements of the subsidiaries and associate will not have a material impact on the consolidated Ind AS financial statements.

**43.** During the year ended 31 March, 2017, the Securities Issue Committee of the Board of Directors at its meeting held on 27 October, 2016 had issued and allotted 15,826,039 equity shares of Rs. 10 each at a premium of Rs. 80 per share to the affiliates of Goldman Sachs

Group, Inc. who form part of the persons belonging to non-promoter category. With the aforesaid allotment, the holding of affiliates of the Goldman Sachs Group, Inc. had increased from 17.79% to 24.49%. The Company had received total allotment consideration of Rs. 1,424.34 million. The above issue was approved by shareholders in their Extraordinary general meeting dated 14 October, 2016.

**44.** Exceptional items comprises the following

a. During the year, the Company has sold its investment stake in Macro Commerce Private Limited ('MCPL') which has resulted in net profit on deconsolidation of assets and liabilities of Rs. 181.09 million. In addition to the above, the Group has made an impairment allowance for loans amounting to Rs. 83.60 million.

b. During the year, the Company has made an impairment allowance of Rs. 98.60 million on account of loan given to DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED.

c. During the year ended 31 March, 2017, the Company had made a provision for impairment of goodwill on consolidation and intangible assets (brand) relating to Macro Commerce Private Limited amounting to Rs. 250.18 million.

d. During the year ended 31 March, 2017, the Company had incurred expenses of Rs. 56.63 million on account of separation pay paid to some employees as part of the organisational restructuring of the Company. The same had been disclosed as an exceptional item in the consolidated Ind AS financial statements.

**45.** Expenditure on Corporate Social Responsibility (CSR)

a. The provisions of section 135 of the Companies Act 2013 are applicable to the entities incorporated in India. Accordingly, the Group was required to spend Rs. 13.91 million [Previous year Rs. 9.75 million] during the year on account of expenditure towards Corporate Social Responsibility.

b. Amount spent during the year ended 31 March, 2018

**(Rs. in million)**

| Particulars | Paid (A) | Yet to be paid (B) | Total (A+B) |
|---|---|---|---|
| (i) Construction/acquisition of any asset | - | - | - |
| | (-) | (-) | (-) |
| (ii) On purposes other than (i) above | 13.91 | - | 13.91 |
| | (9.90) | - | (9.90) |

*Figures in bracket relates to previous year*

c. Details of related party transactions:

- Contribution during the year ended 31 March, 2018 is Rs. Nil [31 March 2017 Rs. Nil]
- Payable as at 31 March, 2018 is Rs. Nil (As at 31 March, 2017: Rs. Nil; As at 1 April, 2016: Rs. Nil)

**46.** The Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

| Particulars | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|---|
| (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.

**48.** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associates.

**49.** The composite scheme of arrangement ('the Scheme') amongst DEN NETWORKS LIMITED ('Parent') and DEN BROADBAND PRIVATE LIMITED (formerly SKYNET CABLE NETWORK PRIVATE LIMITED) ('DEN Broadband'), a wholly owned subsidiary, which entails transfer of the Internet Service Provider business ("Broadband") of the Parent into DEN Broadband, became effective upon issuance of the National Company Law Tribunal, Principal Bench New Delhi order dated 15 September, 2017. The Parent filed the said order with the Registrar of Companies, Delhi ('ROC') on 22 September, 2017. In terms of the scheme, the excess of assets and liabilities taken over by DEN Broadband from the Parent has to be settled by way of consideration receivable amounting to Rs. 40 million and loan receivable amounting to Rs. 817.18 million. Pursuant to the Scheme, the Parent has given effect to the demerger from the appointed date i.e. 1 April, 2016.

**50a.** The composite scheme of arrangement ('Scheme') involving amalgamation of 23 subsidiaries (held directly or indirectly) of the Parent Company and demerger of cable business of Amogh Broadband Services Private Limited, a subsidiary of Parent Company (collectively 'transferor companies') into DEN FUTURISTIC CABLE NETWORK PRIVATE LIMITED ('the transferee company'), a wholly owned subsidiary of the Parent Company became effective upon issuance of the order dated 16 August, 2017 by National Company Law Tribunal, Principal Bench New Delhi. The Company filed the said order with the Registrar of Companies, Delhi ('ROC') on 28 August, 2017. Pursuant to the Scheme becoming effective, the Parent Company, the transferor companies and the transferee company have accounted for the arrangement with effect from the appointed date of 31 March, 2016, based on the accounting treatment prescribed in the scheme. Accordingly, the figures for the year ended 31 March, 2017 have been restated thereby decreasing loss after tax by Rs. 18.09 million. The below table shows the (increase)/decrease in Consolidated Balance Sheet between figures reported before and after the merger as at 1 April, 2016 and 31 March, 2017.

| Particulars | | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **A.** | **ASSETS** | | |
| **1.** | **Non-current assets** | | |
| (a) | Property, plant and equipment | 55.00 | 69.56 |
| (b) | Goodwill on consolidation | 849.80 | 849.80 |
| (c) | Other intangible assets | 0.03 | 0.03 |
| (d) | Financial assets | | |
| | (i) Investments | 0.18 | -38.03 |
| (e) | Deferred tax assets (net) | 37.25 | 54.42 |
| | **Total non-current assets** | **942.26** | **935.78** |
| **2.** | **Current assets** | | |
| (a) | Financial assets | | |
| | (i) Trade receivables | | |
| | (ii) Other financial assets | 55.67 | 96.25 |
| (b) | Other current assets | | |
| | Total current assets | 16.59 | 16.59 |
| | | **72.62** | **112.81** |
| | **Total current assets** | **1,014.88** | **1,048.59** |

| Particulars | | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| **B.** | **EQUITY AND LIABILITIES** | | |
| | **Equity** | | |
| (a) | Equity share capital | - | 1,002.02 |
| (b) | Other equity | 983.93 | |
| | **Total equity** | **983.93** | **1,002.02** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

| Particulars | | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| | **Liabilities** | | |
| **1.** | **Non-current liabilities** | | |
| (a) | Deferred tax liabilities (net) | | |
| (b) | Other non-current liabilities | | |
| | **Total non-current liabilities** | **2.85** | **2.43** |
| **2.** | **Current liabilities** | | |
| (a) | Financial liabilities | | |
| | (i) Borrowings | - | 0.01 |
| | (ii) Trade payables | 24.28 | 43.85 |
| | (iii) Other financial liabilities | 0.06 | - |
| (b) | Provisions | 0.28 | 0.28 |
| (c) | Other current liabilities | 3.48 | - |
| | **Total current liabilities** | **28.10** | **44.14** |
| | **Total liabilities** | **30.95** | **46.57** |
| | **Total equity and liabilities** | **1,014.88** | **1,048.59** |

The details of income and expenses (increased)/decreased from the Consolidated Statement of Profit and Loss of the Group for the year ended 31 March, 2017 are as follows:

| Particulars | | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| **1.** | **Income** | |
| | (a) Other income | -4.12 |
| **2.** | **Total income** | **-4.12** |
| **3.** | **Expenses** | |
| | (a) Depreciation and amortisation expense | 14.00 |
| **4.** | **Total expenses** | **14.00** |
| **5.** | **Profit/(Loss) before tax (2-4)** | **-18.12** |
| **6.** | **Tax expense** | |
| | (a) Current tax | -0.60 |
| | (b) Deferred tax | 0.57 |
| **7.** | **Total tax expense** | **-0.03** |
| **8.** | **Profit/(Loss) after tax (5-7)** | **-18.09** |
| **9.** | **Total other comprehensive income** | **-** |
| **10.** | **Total comprehensive income/(loss) for the year (8+9)** | **-18.09** |

**50b.** The details of the aforementioned 23 subsidiaries are as follows:

| S. No. | Name of the Company |
|---|---|
| **Direct subsidiaries of DEN NETWORKS LIMITED** | |
| 1 | Aster Entertainment Private Limited |
| 2 | Den Bellary City Cable Private Limited |
| 3 | Den Digital Entertainment Gujarat Private Limited |
| 4 | Den Entertainment Network Private Limited |
| 5 | Den Infoking Channel Entertainers Private Limited |
| 6 | Den Krishna Vision Private Limited |
| 7 | Den Mewar Rajdev Cable Network Private Limited |
| 8 | Den Montooshah Network Private Limited |
| 9 | Den Narmada Network Private Limited |

| | |
|---|---|
| 10 | Den Ris Cable Network Private Limited |
| 11 | Den Shiva Cable Network Private Limited |
| 12 | Den Sky Media Network Private Limited |
| 13 | Den Ucn Network India Private Limited |
| 14 | Mahadev Den Network Private Limited |
| 15 | Matrix Cable Network Private Limited |
| 16 | Scorpio Cable Network Private Limited |
| 17 | Shaakumbari Den Media Private Limited |
| 18 | Shine Cable Network Private Limited |

| **Subsidiary of Den Futuristic Cable Networks Private Limited** | |
|---|---|
| 1 | Astonishing Network Private Limited |

| **Subsidiaries of Den Entertainment Network Private Limited** | |
|---|---|
| 1 | Capital Entertainment Private Limited |
| 2 | Kerela Entertainment Private Limited |
| 3 | Rajasthan Entertainment Private Limited |
| 4 | Uttar Pradesh Digital Cable Network Private Limited |

**51.** During the year ended 31 March, 2018, the Company made a further investment of Rs. 1,478 million (3,919,485 equity shares) in DEN BROADBAND PRIVATE LIMITED (formerly SKYNET CABLE NETWORK PRIVATE LIMITED) at a price of Rs. 375 per equity share.

**52a.** During the year ended 31 March, 2018, the Company has acquired 51% stake in VBS Digital Distribution Network Private Limited ('VBS'). Pursuant to this acquisition, VBS has become a subsidiary of the Company.

| Entity Name | Principal activity | Acquisition date | Proportion of voting equity interest acquired | Consideration transferred (Rs. in million) |
|---|---|---|---|---|
| VBS Digital Distribution Network Private Limited | Cable | 5 January, 2018 | 51% | 36.18 |
| Assets acquired and liabilities recognised at the date o acquisition: | | | | |

| | Amount (Rs. in million) |
|---|---|
| **Non-current assets** | |
| Property, plant and equipment | 50.80 |
| Capital work-in-progress | 3.33 |
| | **54.13** |
| **Current assets** | |
| Cash and cash equivalents | 5.20 |
| Trade and other receivables | 0.81 |
| Advance tax including TDS receivable | 1.86 |
| Other current assets | 0.03 |
| Service tax receivable | 2.49 |
| | **10.39** |
| **Current liabilities** | |
| Trade payables | 34.94 |
| Payable on purchase of property, plant and equipment | 15.97 |
| GST payable | 1.00 |
| Provision for income tax | 1.97 |
| | **53.88** |

| | Amount (Rs. in million) |
|---|---|
| **Goodwill on acquisition** | **25.54** |
| **Net cash outflow on acquisition of subsidiary:** | |
| Consideration paid in cash | 36.18 |
| Less: Cash and cash equivalent balances acquired | 5.20 |
| | **30.98** |

**52b.** On 5 June, 2017, the Group disposed of Macro Commerce Private Limited which carried out TV commerce business.

| Entity Name | Principal activity | Disposal date | Proportion of voting equity interest acquired | Consideration transferred (Rs. in million) |
|---|---|---|---|---|
| Macro Commerce Private Limited | TV Commerce | 5 June, 2017 | 100% | 0.90 |

Assets acquired and liabilities recognised at the date of disposal:

| | Amount (Rs. in million) |
|---|---|
| **Non-current assets** | |
| Property, plant and equipment | 20.63 |
| | **20.63** |
| **Current assets** | |
| Cash and cash equivalents | 2.97 |
| Advance tax including TDS receivable | 19.01 |
| Other current assets | 10.38 |
| Service tax receivable | 38.55 |
| | **70.91** |
| **Current liabilities** | |
| Borrowings- current | 73.70 |
| Trade payables | 180.24 |
| Other current liabilities | 13.56 |
| Provisions | 5.13 |
| | **272.63** |
| **Net assets disposed off** | **(181.09)** |

**53.** DEN Ambey Cable Networks Private Limited ('transferee Company'), a wholly owned subsidiary of the Company, has filed a composite Scheme of Arrangement ("the Scheme") with the National Company Law Tribunal (NCLT) in terms of the provisions of the Companies Act, 2013 for merger of its 8 subsidiaries with the transferee Company. The order of NCLT subsequent to this filing is awaited.

**54. Details of material associates**

Details of each of the Group's material associates at the end of the reporting year are as follows:

| S. No. | Name of associates | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Group | | |
|---|---|---|---|---|---|---|
| | | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
| 1. | DEN ADN Network Private Limited | Cable distribution business | New Delhi | 51% | 51% | 51% |
| 2. | CCN DEN Network Private Limited | Cable distribution business | Delhi | 51% | 51% | 51% |
| 3. | Den Satellite Network Private Limited | Cable distribution business | Mumbai | 50% | 50% | 50% |

All the above associates are accounted for using the equity method in these Consolidated Ind AS Financial Statements.

**Summarised financial information in respect of each of the Group's material associates is set out below.**

The summarised financial information below represents amount shown in the associate's financial statement prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

**1. DEN ADN Network Private Limited**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 169.11 | 205.02 | 217.24 |
| Current assets | 195.16 | 146.69 | 132.25 |
| Non-current liabilities | 19.77 | 34.56 | 28.34 |
| Current liabilities | 244.42 | 218.06 | 233.22 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 219.75 | 208.16 |
| Profit /(Loss) for the year | 0.35 | 11.55 |
| Other comprehensive income for the year | (0.05) | (0.03) |
| Total comprehensive income for the year | 0.30 | 11.52 |

Reconciliation of the above summarised financial information to the carrying amount of interest in DEN ADN Network Private Limited recognised in the Consolidated Ind AS Financial Statements:

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Net assets of the associate | 100.08 | 99.09 | 87.92 |
| Proportion of the Group's ownership interest in DEN ADN Network Private Limited | 51% | 51% | 51% |
| Capital reserve | (0.53) | (0.53) | (0.53) |
| **Carrying amount of the Group's interest in DEN ADN Network Private Limited** | **50.51** | **50.01** | **44.31** |

**2. CCN DEN Network Private Limited**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 374.19 | 409.95 | 415.49 |
| Current assets | 332.74 | 311.61 | 252.88 |
| Non-current liabilities | 68.66 | 73.31 | 59.21 |
| Current liabilities | 633.83 | 597.51 | 548.53 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 306.89 | 369.56 |
| Profit /(Loss) for the year | (53.78) | (86.92) |
| Other comprehensive income for the year | - | 0.03 |
| Total comprehensive income/(Loss) for the year | (53.78) | (86.89) |

Reconciliation of the above summarised financial information to the carrying amount of interest in CCN DEN Network Private Limited recognised in the Consolidated Ind AS Financial Statements:

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Net assets of the associate | 4.44 | 50.74 | 60.63 |
| Proportion of the Group's ownership interest in CCN DEN Network Private Limited | 51% | 51% | 51% |
| Goodwill | - | - | - |
| **Carrying amount of the Group's interest in CCN DEN Network Private Limited** | **2.26** | **25.86** | **30.91** |

**3. Den Satellite Network Private Limited- Standalone**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 884.06 | 1,027.65 | 1,079.24 |
| Current assets | 454.12 | 598.05 | 652.68 |
| Non-current liabilities | 233.48 | 255.00 | 209.31 |
| Current liabilities | 501.80 | 794.40 | 880.71 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 1060.92 | 1,023.26 |
| Profit /(Loss) for the year | 34.55 | 10.52 |
| Other comprehensive income for the year | 0.52 | 0.23 |
| Total comprehensive income for the year | 35.07 | 10.75 |

Reconciliation of the above summarised financial information to the carrying amount of interest in Den Satellite Network Private Limited recognised in the Consolidated Ind AS Financial Statements:

| Particulars | As at 31.03. 2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Net assets of the associate | 602.90 | 576.30 | 641.90 |
| Proportion of the Group's ownership interest in Den Satellite Network Private Limited | 50% | 50% | 50% |
| Goodwill | 301.88 | 301.88 | 301.88 |
| **Carrying amount of the Group's interest in the standalone financial statements of Den Satellite Network Private Limited (See 3a, 3b and 3c below for subsidiaries of Den Satellite Network Private Limited) (a)** | **603.33** | **590.03** | **622.83** |

Following are the subsidiaries of Den Satellite Network Private Limited which have been accounted for using the equity method in these Consolidated Ind AS Financial Statements:

### 3a. DEN New Broad Communication Private Limited

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 133.52 | 147.16 | 146.56 |
| Current assets | 76.27 | 60.64 | 112.90 |
| Non-current liabilities | 80.81 | 75.39 | 68.46 |
| Current liabilities | 75.57 | 88.02 | 151.37 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 272.56 | 238.89 |
| Profit /(Loss) for the year | 9.10 | 4.71 |
| Other comprehensive income for the year | (0.09) | 0.05 |
| Total comprehensive income/(Loss) for the year | 9.01 | 4.76 |

Reconciliation of the above summarised financial information to the carrying amount of interest in DEN New Broad Communication Private Limited recognised in the Consolidated Ind AS Financial Statements:

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Net assets of the associate | 53.39 | 44.39 | 39.63 |
| Proportion of the Group's effective ownership interest in DEN New Broad Communication Private Limited | 26% | 26% | 26% |
| Goodwill | 51.47 | 51.47 | 51.47 |
| **Carrying amount of the Group's effective interest in DEN New Broad Communication Private Limited included within investment in DEN Satellite Network Private Limited (b)** | **65.08** | **62.78** | **61.57** |

### 3b. DEN ABC Cable Networks Ambarnath Private Limited

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 78.16 | 83.43 | 75.98 |
| Current assets | 14.68 | 13.64 | 21.53 |
| Non-current liabilities | 35.10 | 32.00 | 20.46 |
| Current liabilities | 19.35 | 31.21 | 49.97 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 89.28 | 94.22 |
| Profit /(Loss) for the year | 4.53 | 6.78 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income/(Loss) for the year | 4.53 | 6.78 |

Reconciliation of the above summarised financial information to the carrying amount of interest in DEN ABC Cable Networks Ambarnath Private Limited recognised in the Consolidated Ind AS Financial Statements:

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Net assets of the associate | 38.39 | 33.86 | 27.08 |
| Proportion of the Group's effective ownership interest in DEN ABC Cable Networks Ambarnath Private Limited | 26% | 26% | 26% |
| Goodwill | 5.69 | 5.69 | 5.69 |
| **Carrying amount of the Group's effective interest in DEN ABC Cable Networks Ambarnath Private Limited included within investment in Den Satellite Network Private Limited (c)** | **15.48** | **14.32** | **12.59** |

**3c. Konark IP Dossiers Private Limited**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 106.70 | 128.10 | 150.96 |
| Current assets | 35.01 | 31.24 | 58.77 |
| Non-current liabilities | 46.72 | 47.07 | 38.39 |
| Current liabilities | 78.25 | 98.12 | 155.73 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 171.59 | 183.31 |
| Profit /(Loss) for the year | 2.32 | 2.08 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income/(Loss) for the year | 2.32 | 2.08 |

Reconciliation of the above summarised financial information to the carrying amount of interest in Konark IP Dossiers Private Limited recognised in the Consolidated Ind AS Financial Statements:

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Net assets of the associate | 16.74 | 14.15 | 15.61 |
| Proportion of the Group's ownership interest in Konark IP Dossiers Private Limited | 25% | 25% | 25% |
| Capital reserve | (1.94) | (1.94) | (1.94) |
| **Carrying amount of the Group's effective interest in Konark IP Dossiers Private Limited included within investment in Den Satellite Network Private Limited (d)** | **2.25** | **1.60** | **1.97** |
| **Carrying amount of the Group's effective interest in Den Satellite Network Private Limited (consolidated) (a+b+c+d)** | **686.14** | **668.73** | **698.96** |

**55. Details and financial information of joint venture**

Details of the Group's joint venture at the end of the reporting period are as follows:

| S. No. | Name of joint venture | Principal activity | Place of incorporation & principal place of business | Proportion of ownership interest/ voting rights held by the Group | | |
|---|---|---|---|---|---|---|
| | | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
| 1. | Macro Commerce Private Limited | TV Commerce Business | New Delhi | - | - | 0% |

The above joint venture is accounted for using the equity method in these Consolidated Ind AS Financial Statements.

**Summarised financial information in respect of each of the Group's joint venture is set out below.**

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

**1. Macro Commerce Private Limited ('MCPL')**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | - | - | 18.53 |
| Current assets | - | - | 60.73 |
| Non-current liabilities | - | - | 0.76 |
| Current liabilities | - | - | 195.90 |
| **The above amounts of assets and liabilities includes the following:** | | | |
| Cash and cash equivalents | - | - | 4.35 |
| Current financial liabilities (excluding trade payables and provisions) | - | - | 140.82 |
| Non-current financial liabilities (excluding trade payables and provisions) | - | - | - |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | - | 57.69 |
| Profit /(Loss) for the year | - | 4.95 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income/(Loss) for the year | - | 4.95 |
| Dividends received from the joint venture during the year | - | - |
| **The above profit (loss) for the year include the following:** | | |
| Depreciation and amortisation | - | 1.32 |
| Interest income | - | - |
| Interest expense | - | 2.08 |
| Income tax expense | - | - |

Reconciliation of the above summarised financial information to the carrying amount of interest in Macro Commerce Private Limited ('MCPL') recognised in the Consolidated Ind AS Financial Statements :

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Net assets of the joint venture | - | - | (117.40) |
| Net assets of the joint venture considered for group ownership in MCPL | - | - | - |
| Proportion of the group's ownership interest in Macro Commerce Private Limited | - | - | 0% |
| Goodwill | - | - | - |
| **Carrying amount of the Group's interest in Macro Commerce Private Limited ('MCPL')** | **-** | **-** | **-** |

**56. Non-controlling interests**

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Balance at beginning of the year | 896.40 | 705.72 |
| Share of profit for the year | 172.11 | 205.88 |
| Non-controlling interests arising on the acquisition of subsidiaries and additional stake in subsidiaries | (29.10) | (15.20) |
| **Balance at end of the year** | **1,039.41** | **896.40** |

**Details of non-wholly owned subsidiaries that have material non-controlling interests**

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

| S. No. | Name of subsidiary | Place of incorporation and principal place of business | Proportion of ownership interests and voting rights held by non-controlling interests | | |
|---|---|---|---|---|---|
| | | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
| 1. | Den Enjoy Cable Networks Private Limited | India | 49% | 49% | 49% |
| 2. | Den Ambey Cable Networks Private Limited | India | 39% | 39% | 39% |
| 3. | Den F K Cable Tv Network Private Limited | India | 49% | 49% | 49% |
| 4. | Eminent Cable Network Private Limited | India | 44% | 44% | 44% |
| 5. | Individually immaterial subsidiaries with non-controlling interests | | | | |
| | **Total** | | | | |

| S. No. | Name of subsidiary | Accumulated non-controlling interests | | |
|---|---|---|---|---|
| | | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
| 1. | Den Enjoy Cable Networks Private Limited | 325.13 | 258.55 | 191.60 |
| 2. | Den Ambey Cable Networks Private Limited | 253.21 | 216.21 | 161.18 |
| 3. | Den F K Cable Tv Network Private Limited | 66.08 | 52.49 | 42.33 |
| 4. | Eminent Cable Network Private Limited | 89.76 | 53.70 | 35.59 |
| 5. | Individually immaterial subsidiaries with non-controlling interests | 305.23 | 315.45 | 275.02 |
| | **Total** | **1,039.41** | **896.40** | **705.72** |

| S. No. | Name of subsidiary | Profit /(Loss) allocated to non-controlling interests | |
|---|---|---|---|
| | | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
| 1. | Den Enjoy Cable Networks Private Limited | 66.63 | 66.94 |
| 2. | Den Ambey Cable Networks Private Limited | 37.13 | 55.03 |
| 3. | Den F K Cable Tv Network Private Limited | 23.01 | 10.16 |
| 4. | Eminent Cable Network Private Limited | 27.26 | 18.11 |
| 5. | Individually immaterial subsidiaries with non-controlling interests | 18.08 | 55.54 |
| | **Total** | **172.11** | **205.88** |

Summarised financial information in respect of each of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

**1. Den Enjoy Cable Networks Private Limited**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 463.85 | 508.13 | 561.17 |
| Current assets | 505.06 | 362.54 | 252.37 |
| Non-current liabilities | 127.95 | 159.17 | 169.03 |
| Current liabilities | 177.42 | 183.85 | 253.48 |
| Equity attributable to owners of the Company | 338.41 | 269.10 | 199.43 |
| Non-controlling interests | 325.13 | 258.55 | 191.60 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 686.04 | 578.52 |
| Expenses | (550.06) | (441.88) |
| **Profit / (Loss) for the year** | **135.98** | **136.64** |
| Profit / (Loss) attributable to owners of the Company | 69.35 | 69.69 |
| Profit / (Loss) attributable to the non-controlling interests | 66.63 | 66.95 |
| **Profit / (Loss) for the year** | **135.98** | **136.64** |
| Other comprehensive income attributable to owners of the Company | - | (0.01) |
| Other comprehensive income attributable to the non-controlling interests | - | (0.01) |
| **Other comprehensive income for the year** | **-** | **(0.02)** |
| Total comprehensive income attributable to owners of the Company | 69.35 | 69.68 |
| Total comprehensive income attributable to the non-controlling interests | 66.63 | 66.94 |
| **Total comprehensive income for the year** | **135.98** | **136.62** |
| Dividends paid to non-controlling interests | - | - |
| Net cash inflow / (outflow) from operating activities | 105.87 | 124.79 |
| Net cash inflow / (outflow) from investing activities | (17.08) | (69.97) |
| Net cash inflow / (outflow) from financing activities | (6.19) | (40.90) |
| **Net cash inflow (outflow)** | **82.60** | **13.92** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**2. Den Ambey Cable Networks Private Limited**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 743.73 | 794.82 | 843.44 |
| Current assets | 320.93 | 259.53 | 322.49 |
| Non-current liabilities | 193.33 | 248.32 | 346.10 |
| Current liabilities | 222.09 | 251.65 | 406.55 |
| Equity attributable to owners of the Company | 396.03 | 338.17 | 252.10 |
| Non-controlling interests | 253.21 | 216.21 | 161.18 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 849.00 | 784.76 |
| Expenses | (754.14) | (643.58) |
| **Profit/(Loss) for the year** | **94.86** | **141.18** |
| Profit/(Loss) attributable to owners of the Company | 57.86 | 86.12 |
| Profit/(Loss) attributable to the non-controlling interests | 37.00 | 55.06 |
| **Profit/(Loss) for the year** | **94.86** | **141.18** |
| Other comprehensive income attributable to owners of the Company | 0.21 | (0.05) |
| Other comprehensive income attributable to the non-controlling interests | 0.13 | (0.03) |
| **Other comprehensive income for the year** | **0.34** | **(0.08)** |
| Total comprehensive income attributable to owners of the Company | 58.07 | 86.07 |
| Total comprehensive income attributable to the non-controlling interests | 37.13 | 55.03 |
| **Total comprehensive income for the year** | **95.20** | **141.10** |
| Dividends paid to non-controlling interests | - | - |
| Net cash inflow / (outflow) from operating activities | 135.27 | 189.18 |
| Net cash inflow / (outflow) from investing activities | (91.48) | (108.00) |
| Net cash inflow / (outflow) from financing activities | (2.15) | (87.65) |
| **Net cash inflow (outflow)** | **41.64** | **(6.47)** |

**3. Den F K Cable Tv Network Private Limited**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 149.75 | 162.06 | 185.90 |
| Current assets | 75.00 | 118.55 | 67.07 |
| Non-current liabilities | 57.01 | 66.88 | 64.42 |
| Current liabilities | 32.89 | 106.61 | 102.16 |
| Equity attributable to owners of the Company | 68.77 | 54.63 | 44.06 |
| Non-controlling interests | 66.08 | 52.49 | 42.33 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 143.24 | 97.48 |
| Expenses | (96.29) | (76.65) |
| **Profit / (Loss) for the year** | **46.95** | **20.83** |
| Profit / (Loss) attributable to owners of the Company | 23.94 | 10.62 |
| Profit / (Loss) attributable to the non-controlling interests | 23.01 | 10.21 |
| **Profit / (Loss) for the year** | **46.95** | **20.83** |
| Other comprehensive income attributable to owners of the Company | - | 0.05 |
| Other comprehensive income attributable to the non-controlling interests | - | 0.06 |
| Other comprehensive income for the year | - | 0.11 |
| Total comprehensive income attributable to owners of the Company | 23.94 | 10.57 |
| Total comprehensive income attributable to the non-controlling interests | 23.01 | 10.16 |
| **Total comprehensive income for the year** | **46.95** | **20.73** |
| Dividends paid to non-controlling interests | 7.82 | - |
| Net cash inflow / (outflow) from operating activities | 63.06 | 41.27 |
| Net cash inflow / (outflow) from investing activities | 18.82 | (35.18) |
| Net cash inflow / (outflow) from financing activities | (89.64) | (3.12) |
| **Net cash inflow (outflow)** | **(7.76)** | **2.97** |

**4. Eminent Cable Network Private Limited**

| Particulars | As at 31.03.2018 (Rs. in million) | As at 31.03.2017 (Rs. in million) | As at 01.04.2016 (Rs. in million) |
|---|---|---|---|
| Non-current assets | 308.63 | 350.32 | 379.55 |
| Current assets | 266.20 | 173.84 | 144.39 |
| Non-current liabilities | 91.54 | 116.43 | 121.00 |
| Current liabilities | 279.29 | 285.68 | 322.05 |
| Equity attributable to owners of the Company | 114.24 | 68.35 | 45.30 |
| Non-controlling interests | 89.76 | 53.70 | 35.59 |

| Particulars | Year ended 31.03.2018 (Rs. in million) | Year ended 31.03.2017 (Rs. in million) |
|---|---|---|
| Revenue | 408.42 | 353.03 |
| Expenses | (346.47) | (312.14) |
| **Profit / (Loss) for the year** | **61.95** | **40.89** |
| Profit / (Loss) attributable to owners of the Company | 34.69 | 22.90 |
| Profit / (Loss) attributable to the non-controlling interests | 27.26 | 17.99 |
| **Profit / (Loss) for the year** | **61.95** | **40.89** |
| Other comprehensive income attributable to owners of the Company | - | 0.15 |
| Other comprehensive income attributable to the non-controlling interests | - | 0.12 |
| **Other comprehensive income for the year** | **-** | **0.27** |
| Total comprehensive income attributable to owners of the Company | 34.69 | 23.05 |
| Total comprehensive income attributable to the non-controlling interests | 27.26 | 18.11 |
| **Total comprehensive income for the year** | **61.95** | **41.16** |
| Dividends paid to non-controlling interests | - | - |
| Net cash inflow / (outflow) from operating activities | 103.70 | 59.61 |
| Net cash inflow / (outflow) from investing activities | (45.63) | (0.77) |
| Net cash inflow / (outflow) from financing activities | (42.45) | (47.15) |
| **Net cash inflow (outflow)** | **15.62** | **11.69** |

**57. Disclosure of the additional information as required by the Schedule III:**

**a) As at and for the year ended 31 March, 2018:**

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| **Parent** | | | | | | | | | |
| DEN NETWORKS LIMITED | | 91.040% | 8,101.89 | 89.128% | (309.79) | 73.634% | 3.06 | 89.320% | (306.73) |
| **Subsidiaries** | | | | | | | | | |
| 1 | Den Kashi Cable Network Private Limited | 0.134% | 11.92 | 1.601% | (5.51) | - | - | 1.621% | (5.51) |
| 2 | Ambika DEN Cable Network Private Limited | 0.009% | 0.80 | (0.046%) | 0.16 | - | - | (0.047%) | 0.16 |
| 3 | Amogh Broad Band Services Private Limited | (0.004%) | (0.35) | 0.218% | (0.75) | - | - | 0.221% | (0.75) |
| 4 | Antique Communications Private Limited | (0.017%) | (1.54) | 0.038% | (0.13) | - | - | 0.038% | (0.13) |
| 5 | Bali Den Cable Network Private Limited | 0.053% | 4.71 | (0.279%) | 0.96 | (1.188%) | (0.05) | (0.268%) | 0.91 |
| 6 | Big Den Entertainment Private Limited | 0.080% | 7.12 | 0.151% | (0.52) | - | - | 0.153% | (0.52) |
| 7 | Cab-i-Net Communications Private Limited | (0.078%) | (6.94) | (1.343%) | 4.62 | - | - | (1.359%) | 4.62 |
| 8 | Crystal Vision Media Private Limited | 0.655% | 58.32 | (0.282%) | 0.97 | - | - | (0.285%) | 0.97 |
| 9 | Den A.F. Communication Private Limited | 0.005% | 0.42 | (0.012%) | 0.04 | - | - | (0.012%) | 0.04 |
| 10 | Den Aman Entertainment Private Limited | 0.129% | 11.48 | 0.105% | (0.36) | - | - | 0.106% | (0.36) |
| 11 | Den Ambey Cable Networks Private Limited | 7.409% | 659.29 | (27.568%) | 94.86 | 8.076% | 0.34 | (28.009%) | 95.20 |
| 12 | Den Ashu Cable Private Limited | 0.0003% | 0.03 | 1.165% | (4.01) | - | - | 1.180% | (4.01) |
| 13 | DEN BCN Suncity Network Private Limited | 0.062% | 5.48 | (1.061%) | 3.65 | (1.425%) | (0.06) | (1.056%) | 3.59 |
| 14 | Den Bindra Network Private Limited | 0.002% | 0.16 | (0.020%) | 0.07 | - | - | (0.021%) | 0.07 |
| 15 | Den Budaun Cable Network Private Limited | 0.011% | 0.94 | 0.134% | (0.46) | - | - | 0.135% | (0.46) |
| 16 | Den Citi Channel Private Limited | (0.048%) | (4.24) | 0.564% | (1.94) | - | - | 0.571% | (1.94) |
| 17 | Den Classic Cable TV Services Private Limited | (0.065%) | (5.79) | 0.206% | (0.71) | - | - | 0.209% | (0.71) |
| 18 | DEN Crystal Vision Network Private Limited | (0.013%) | (1.12) | 0.064% | (0.22) | - | - | 0.065% | (0.22) |
| 19 | Den Digital Cable Network Private Limited | 0.305% | 27.17 | 0.081% | (0.28) | (32.779%) | (1.38) | 0.488% | (1.66) |
| 20 | Den Elgee Cable Vision Private Limited | 0.044% | 3.89 | 0.360% | (1.24) | - | - | 0.365% | (1.24) |
| 21 | Den Enjoy Cable Networks Private Limited | 7.456% | 663.50 | (39.518%) | 135.98 | - | - | (40.007%) | 135.98 |
| 22 | Den F K Cable TV Network Private Limited | 1.515% | 134.85 | (13.644%) | 46.95 | - | - | (13.813%) | 46.95 |
| 23 | Den Fateh Marketing Private Limited | (0.331%) | (29.42) | 0.494% | (1.70) | - | - | 0.500% | (1.70) |
| 24 | Den Futuristic Cable Networks Private Limited | 7.282% | 647.99 | 4.778% | (16.44) | - | - | 4.837% | (16.44) |
| 25 | Den Harsh Mann Cable Network Private Limited | (0.078%) | (6.92) | 0.735% | (2.53) | - | - | 0.744% | (2.53) |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 26 | Den Jai Ambey Vision Cable Private Limited | (0.032%) | (2.82) | 0.174% | (0.60) | - | - | 0.177% | (0.60) |
| 27 | Den Kattakada Telecasting and Cable Services Private Limited | (0.256%) | (22.81) | 0.712% | (2.45) | - | - | 0.721% | (2.45) |
| 28 | Den Krishna Cable TV Network Private Limited | 0.490% | 43.61 | 1.267% | (4.36) | 4.751% | 0.20 | 1.224% | (4.16) |
| 29 | Den Maa Sharda Vision Cable Networks Private Limited | 0.231% | 20.58 | (0.221%) | 0.76 | (4.751%) | (0.19) | (0.165%) | 0.57 |
| 30 | Den Mahendra Satellite Private Limited | 0.001% | 0.07 | 0.201% | (0.69) | - | - | 0.203% | (0.69) |
| 31 | Den Malabar Cable Vision Private Limited | (0.063%) | (5.57) | (0.241%) | 0.83 | - | - | (0.244%) | 0.83 |
| 32 | Den Malayalam Telenet Private Limited | (0.094%) | (8.37) | 0.866% | (2.98) | - | - | 0.877% | (2.98) |
| 33 | Den MCN Cable Network Private Limited | (0.434%) | (38.65) | 0.148% | (0.51) | - | - | 0.150% | (0.51) |
| 34 | Den Mod Max Cable Network Private Limited | (0.011%) | (0.95) | 0.105% | (0.36) | (3.563%) | (0.15) | 0.150% | (0.51) |
| 35 | Den Nashik City Cable Network Private Limited | (0.032%) | (2.85) | 6.239% | (21.47) | - | - | 6.317% | (21.47) |
| 36 | Den Pawan Cable Network Private Limited | 0.129% | 11.45 | (0.657%) | 2.26 | - | - | (0.665%) | 2.26 |
| 37 | Den Pradeep Cable Network Private Limited | (0.052%) | (4.62) | 0.264% | (0.91) | - | - | 0.268% | (0.91) |
| 38 | DEN Prayag Cable Networks Private Limited | (0.005%) | (0.48) | 13.293% | (45.74) | - | - | 13.457% | (45.74) |
| 39 | Den Prince Network Private Limited | (0.083%) | (7.37) | 0.087% | (0.30) | - | - | 0.088% | (0.30) |
| 40 | Den Radiant Satellite Cable Network Private Limited | 0.033% | 2.97 | 0.160% | (0.55) | - | - | 0.162% | (0.55) |
| 41 | Den Sahyog Cable Network Private Limited | (0.107%) | (9.56) | 1.412% | (4.86) | - | - | 1.430% | (4.86) |
| 42 | Den Sariga Communications Private Limited | (0.052%) | (4.59) | 0.090% | (0.31) | - | - | 0.091% | (0.31) |
| 43 | Den Satellite Cable TV Network Private Limited | (0.210%) | (18.67) | 0.023% | (0.08) | - | - | 0.024% | (0.08) |
| 44 | Den Steel City Cable Network Private Limited | (0.063%) | (5.60) | 0.116% | (0.40) | - | - | 0.118% | (0.40) |
| 45 | Den Supreme Satellite Vision Private Limited | 0.189% | 16.83 | (0.235%) | 0.81 | - | - | (0.238%) | 0.81 |
| 46 | Den Varun Cable Network Private Limited | 0.072% | 6.38 | 0.401% | (1.38) | - | - | 0.406% | (1.38) |
| 47 | Den-Manoranjan Satellite Private Limited | 0.913% | 81.23 | (3.729%) | 12.83 | - | - | (3.775%) | 12.83 |
| 48 | Disk Cable Network Private Limited | 0.090% | 8.02 | 0.006% | (0.02) | - | - | 0.006% | (0.02) |
| 49 | Drashti Cable Network Private Limited | (0.176%) | (15.70) | 0.453% | (1.56) | - | - | 0.459% | (1.56) |
| 50 | Fab Den Network Private Limited | 0.157% | 13.97 | 0.851% | (2.93) | - | - | 0.862% | (2.93) |
| 51 | Fortune (Baroda) Network Private Limited | (0.086%) | (7.61) | 1.226% | (4.22) | - | - | 1.242% | (4.22) |
| 52 | Galaxy Den Media & Entertainment Private Limited | 0.056% | 4.97 | - | - | - | - | - | - |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 53 | Pee Cee Cable Network Private Limited | - | - | - | - | - | - | - | - |
| 54 | Shri Ram Den Network Private Limited | - | - | - | - | - | - | - | - |
| 55 | Gemini Cable Network Private Limited | (0.449%) | (39.94) | 1.904% | (6.55) | - | - | 1.927% | (6.55) |
| 56 | DEN Patel Entertainment Network Private Limited | (0.039%) | (3.47) | 0.349% | (1.20) | - | - | 0.353% | (1.20) |
| 57 | Mahadev Den Cable Network Private Limited | (0.213%) | (18.92) | 0.017% | (0.06) | - | - | 0.018% | (0.06) |
| 58 | Mahavir Den Entertainment Private Limited | 0.754% | 67.07 | (6.239%) | 21.47 | - | - | (6.317%) | 21.47 |
| 59 | Meerut Cable Network Private Limited | 0.485% | 43.19 | (0.410%) | 1.41 | - | - | (0.415%) | 1.41 |
| 60 | Multi Channel Cable Network Private Limited | (0.218%) | (19.41) | 0.349% | (1.20) | - | - | 0.353% | (1.20) |
| 61 | Multi Star Cable Network Private Limited | (0.015%) | (1.37) | 0.453% | (1.56) | 0.238% | 0.01 | 0.456% | (1.55) |
| 62 | Radiant Satellite (India) Private Limited | (0.475%) | (42.30) | - | - | - | - | - | - |
| 63 | Den Rajkot City Communication Private Limited | 0.517% | 45.99 | (7.283%) | 25.06 | - | - | (7.373%) | 25.06 |
| 64 | Sanmati DEN Cable TV Network Private Limited | (0.085%) | (7.52) | 1.203% | (4.14) | - | - | 1.218% | (4.14) |
| 65 | Sanmati Entertainment Private Limited | (0.028%) | (2.49) | 0.081% | (0.28) | - | - | 0.082% | (0.28) |
| 66 | Shree Siddhivinayak Cable Network Private Limited | (0.213%) | (18.94) | (0.148%) | 0.51 | - | - | (0.150%) | 0.51 |
| 67 | Silverline Television Network Private Limited | 0.129% | 11.47 | (0.442%) | 1.52 | - | - | (0.447%) | 1.52 |
| 68 | Sree Gokulam Starnet Communication Private Limited | (0.180%) | (16.04) | 0.067% | (0.23) | - | - | 0.068% | (0.23) |
| 69 | United Cable Network (Digital) Private Limited | (0.016%) | (1.39) | 0.201% | (0.69) | - | - | 0.203% | (0.69) |
| 70 | Victor Cable Tv Network Private Limited | (0.176%) | (15.65) | 0.055% | (0.19) | - | - | 0.056% | (0.19) |
| 71 | DEN VM Magic Entertainment Private Limited | 0.035% | 3.14 | 0.648% | (2.23) | - | - | 0.656% | (2.23) |
| 72 | Den Ambey Citi Cable Network Private Limited | 0.068% | 6.08 | (0.439%) | 1.51 | - | - | (0.444%) | 1.51 |
| 73 | Den Deva Cable Network Private Limited | 0.035% | 3.12 | (0.756%) | 2.60 | - | - | (0.765%) | 2.60 |
| 74 | Den Ambey Jhansi Cable Network Private Limited | 0.084% | 7.49 | 0.157% | (0.54) | - | - | 0.159% | (0.54) |
| 75 | Den Ambey Farukabad Cable Network Private Limited | 0.075% | 6.70 | (0.160%) | 0.55 | - | - | (0.162%) | 0.55 |
| 76 | Star Channel Den Network Private Limited | 0.028% | 2.49 | 0.029% | (0.10) | - | - | 0.029% | (0.10) |
| 77 | Saturn Digital Cable Private Limited | 0.092% | 8.21 | (0.564%) | 1.94 | - | - | (0.571%) | 1.94 |
| 78 | Den Saya Channel Network Private Limited | 0.215% | 19.17 | (5.327%) | 18.33 | - | - | (5.393%) | 18.33 |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 79 | Den Faction Communication System Private Limited | (0.304%) | (27.04) | 0.573% | (1.97) | - | - | 0.580% | (1.97) |
| 80 | Fun Cable Network Private Limited | (0.113%) | (10.04) | 0.017% | (0.06) | - | - | 0.018% | (0.06) |
| 81 | Den Enjoy Navaratan Network Private Limited | 1.100% | 97.93 | (12.639%) | 43.49 | (0.238%) | (0.01) | (12.792%) | 43.48 |
| 82 | Kishna DEN Cable Networks Private Limited | (0.059%) | (5.25) | 0.052% | (0.18) | - | - | 0.053% | (0.18) |
| 83 | Divya Drishti Den Cable Network Private Limited | 0.0001% | 0.01 | 0.044% | (0.15) | - | - | 0.044% | (0.15) |
| 84 | Bhadohi DEN Entertainment Private Limited | 0.009% | 0.79 | 0.017% | (0.06) | - | - | 0.018% | (0.06) |
| 85 | DEN Enjoy SBNM Cable Network Private Limited | 0.010% | 0.91 | 0.189% | (0.65) | - | - | 0.191% | (0.65) |
| 86 | Eminent Cable Network Private Limited | 2.292% | 204.00 | (18.003%) | 61.95 | - | - | (18.226%) | 61.95 |
| 87 | Trident Entertainment Private Limited | (0.042%) | (3.76) | 0.575% | (1.98) | - | - | 0.583% | (1.98) |
| 88 | Rose Entertainment Private Limited | 0.125% | 11.16 | (0.171%) | 0.59 | - | - | (0.174%) | 0.59 |
| 89 | Blossom Entertainment Private Limited | (0.015%) | (1.33) | 0.046% | (0.16) | - | - | 0.047% | (0.16) |
| 90 | Ekta Entertainment Network Private Limited | 0.367% | 32.68 | 0.378% | (1.30) | - | - | 0.382% | (1.30) |
| 91 | Devine Cable Network Private Limited | (0.003%) | (0.26) | 0.035% | (0.12) | - | - | 0.035% | (0.12) |
| 92 | Nectar Entertainment Private Limited | (0.046%) | (4.07) | 0.241% | (0.83) | - | - | 0.244% | (0.83) |
| 93 | DEN STN Television Network Private Limited | (0.015%) | (1.32) | 0.070% | (0.24) | - | - | 0.071% | (0.24) |
| 94 | Multitrack Cable Network Private Limited | 0.001% | 0.07 | 0.241% | (0.83) | - | - | 0.244% | (0.83) |
| 95 | Glimpse Communications Private Limited | (0.009%) | (0.80) | 0.070% | (0.24) | - | - | 0.071% | (0.24) |
| 96 | Indradhanush Cable Network Private Limited | (0.132%) | (11.76) | 0.238% | (0.82) | - | - | 0.241% | (0.82) |
| 97 | Adhunik Cable Network Private Limited | (0.035%) | (3.08) | 0.044% | (0.15) | - | - | 0.044% | (0.15) |
| 98 | Libra Cable Network Private Limited | 0.698% | 62.09 | (0.192%) | 0.66 | - | - | (0.194%) | 0.66 |
| 99 | Srishti DEN Networks Private Limited | 0.070% | 6.22 | 4.519% | (15.55) | - | - | 4.575% | (15.55) |
| 100 | Maitri Cable Network Private Limited | (0.024%) | (2.10) | 0.070% | (0.24) | - | - | 0.071% | (0.24) |
| 101 | Melody Cable Network Private Limited | 0.003% | 0.23 | (0.183%) | 0.63 | - | - | (0.185%) | 0.63 |
| 102 | Mountain Cable Network Private Limited | (0.025%) | (2.25) | 0.041% | (0.14) | - | - | 0.041% | (0.14) |
| 103 | Portrait Cable Network Private Limited | 0.010% | 0.86 | (0.421%) | 1.45 | - | - | (0.427%) | 1.45 |
| 104 | Mansion Cable Network Private Limited | 3.632% | 323.25 | (16.725%) | 56.75 | (0.238%) | (0.01) | (16.929%) | 56.74 |
| 105 | Den Discovery Digital Network Private Limited | 0.336% | 29.89 | 0.686% | (2.36) | - | - | 0.694% | (2.36) |
| 106 | Jhankar Cable Network Private Limited | (0.097%) | (8.67) | 0.125% | (0.43) | - | - | 0.127% | (0.43) |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 107 | Den Premium Multilink Cable Network Private Limited | 0.256% | 22.76 | 2.305% | (7.93) | (0.475%) | (0.02) | 2.339% | (7.95) |
| 108 | Angel Cable Network Private Limited | 0.035% | 3.12 | 0.087% | (0.30) | - | - | 0.088% | (0.30) |
| 109 | Desire Cable Network Private Limited | (0.036%) | (3.19) | 0.273% | (0.94) | - | - | 0.277% | (0.94) |
| 110 | Marble Cable Network Private Limited | 0.002% | 0.16 | 0.198% | (0.68) | - | - | 0.200% | (0.68) |
| 111 | Augment Cable Network Private Limited | 0.026% | 2.34 | 0.067% | (0.23) | - | - | 0.068% | (0.23) |
| 112 | ABC Cable Network Private Limited | 0.008% | 0.72 | 0.137% | (0.47) | - | - | 0.138% | (0.47) |
| 113 | DEN BROADBAND PRIVATE LIMITED | 8.219% | 731.55 | 94.471% | (324.91) | 34.795% | 1.46 | 95.162% | (323.45) |
| 114 | VBS Digital Distribution Network Private Limited | (0.009%) | (0.81) | (0.601%) | 2.07 | - | - | (0.608%) | 2.07 |
| 115 | Den MTN Star Vision Networks Private Limited | (0.001%) | (0.10) | 0.203% | (0.70) | - | - | 0.206% | (0.70) |
| 116 | Macro Commerce Private Limited | - | - | - | - | - | - | - | - |
| **Subtotal** | | **132.811%** | **11,819.09** | **79.838%** | **(278.62)** | **76.722%** | **3.20** | **79.876%** | **(275.42)** |
| **Associates (Investments as per equity method)** | | | | | | | | | |
| 1 | Den Satellite Network Private Limited | | | (6.173%) | 21.34 | 2.138% | 0.24 | (6.276%) | 21.58 |
| 2 | DEN ADN Network Private Limited | | | (0.093%) | 0.18 | (0.475%) | (0.03) | (0.088%) | 0.15 |
| 3 | CCN DEN Network Private Limited | | | 8.003% | (27.42) | 2.613% | - | 8.070% | (27.42) |
| **Less:** | | | | | | | | | |
| Adjustment arising out of consolidation | | 44.491% | 3,959.45 | 31.825% | (113.33) | - | - | 32.219% | (113.33) |
| Non-controlling interests in subsidiaries | | (11.680%) | (1,039.41) | (50.250%) | 172.91 | (19.002%) | (0.80) | (50.637%) | 172.11 |
| **Total** | | **100.000%** | **8,899.05** | **100.000%** | **(344.10)** | **100.000%** | **4.21** | **100.000%** | **(339.89)** |

**57. Disclosure of the additional information as required by the Schedule III:**
**b) As at and for the year ended 31 March, 2017**

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| **Parent** | | | | | | | | | |
| DEN NETWORKS LIMITED | | 92.264% | 8,329.89 | 103.783% | (2,162.55) | 87.250% | 4.79 | 103.827% | (2,157.76) |
| **Subsidiaries** | | | | | | | | | |
| 1 | Den Kashi Cable Network Private Limited | 0.229% | 20.69 | 0.231% | (4.81) | - | - | 0.231% | (4.81) |
| 2 | Ambika DEN Cable Network Private Limited | 0.004% | 0.32 | 0.005% | (0.10) | - | - | 0.005% | (0.10) |
| 3 | Amogh Broad Band Services Private Limited | 0.005% | 0.46 | 0.016% | (0.33) | - | - | 0.016% | (0.33) |
| 4 | Antique Communications Private Limited | (0.008%) | (0.72) | (0.006%) | 0.12 | - | - | (0.006%) | 0.12 |
| 5 | Bali Den Cable Network Private Limited | 0.021% | 1.91 | 0.115% | (2.40) | (0.546%) | (0.03) | 0.117% | (2.43) |
| 6 | Big Den Entertainment Private Limited | 0.043% | 3.90 | 0.099% | (2.07) | - | - | 0.100% | (2.07) |
| 7 | Cab-i-Net Communications Private Limited | (0.065%) | (5.90) | 0.209% | (4.36) | - | - | 0.210% | (4.36) |
| 8 | Crystal Vision Media Private Limited | 0.324% | 29.25 | (0.104%) | 2.16 | 2.550% | 0.14 | (0.111%) | 2.30 |
| 9 | Den A.F. Communication Private Limited | 0.002% | 0.19 | 0.002% | (0.04) | - | - | 0.002% | (0.04) |
| 10 | Den Aman Entertainment Private Limited | 0.067% | 6.04 | 0.082% | (1.71) | (8.015%) | (0.44) | 0.103% | (2.15) |
| 11 | Den Ambey Cable Networks Private Limited | 3.844% | 347.09 | (6.775%) | 141.18 | (1.457%) | (0.08) | (6.789%) | 141.10 |
| 12 | Den Ashu Cable Private Limited | 0.183% | 16.50 | 0.165% | (3.44) | (0.364%) | (0.02) | 0.166% | (3.46) |
| 13 | DEN BCN Suncity Network Private Limited | 0.010% | 0.93 | 0.051% | (1.06) | 4.007% | 0.22 | 0.040% | (0.84) |
| 14 | Den Bindra Network Private Limited | 0.0001% | 0.01 | 0.024% | (0.49) | 0.364% | 0.02 | 0.023% | (0.47) |
| 15 | Den Budaun Cable Network Private Limited | 0.008% | 0.71 | 0.093% | (1.94) | - | - | 0.093% | (1.94) |
| 16 | Den Citi Channel Private Limited | 0.028% | 2.55 | 0.064% | (1.34) | (0.546%) | (0.03) | 0.066% | (1.37) |
| 17 | Den Classic Cable TV Services Private Limited | (0.029%) | (2.64) | 0.140% | (2.92) | 0.364% | 0.02 | 0.140% | (2.90) |
| 18 | DEN Crystal Vision Network Private Limited | (0.005%) | (0.45) | 0.053% | (1.10) | - | - | 0.053% | (1.10) |
| 19 | Den Digital Cable Network Private Limited | 0.269% | 24.31 | (0.179%) | 3.72 | (3.643%) | (0.20) | (0.169%) | 3.52 |
| 20 | Den Elgee Cable Vision Private Limited | 0.029% | 2.62 | (0.001%) | 0.01 | 0.729% | 0.04 | (0.002%) | 0.05 |
| 21 | Den Enjoy Cable Networks Private Limited | 2.981% | 269.10 | (6.557%) | 136.63 | (0.364%) | (0.02) | (6.573%) | 136.61 |
| 22 | Den F K Cable TV Network Private Limited | 0.605% | 54.63 | (1.000%) | 20.84 | (2.004%) | (0.11) | (0.997%) | 20.73 |
| 23 | Den Fateh Marketing Private Limited | (0.157%) | (14.14) | 0.114% | (2.38) | - | - | 0.115% | (2.38) |
| 24 | Den Futuristic Cable Networks Private Limited | 6.328% | 571.31 | 0.353% | (7.35) | 1.639% | 0.09 | 0.349% | (7.26) |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 25 | Den Harsh Mann Cable Network Private Limited | (0.025%) | (2.24) | 0.176% | (3.67) | (2.186%) | (0.12) | 0.182% | (3.79) |
| 26 | Den Jai Ambey Vision Cable Private Limited | (0.015%) | (1.32) | 0.030% | (0.62) | - | - | 0.030% | (0.62) |
| 27 | Den Kattakada Telecasting and Cable Services Private Limited | (0.155%) | (14.00) | 0.198% | (4.12) | - | - | 0.198% | (4.12) |
| 28 | Den Krishna Cable TV Network Private Limited | 0.393% | 35.50 | 0.020% | (0.41) | (1.093%) | (0.06) | 0.023% | (0.47) |
| 29 | Den Maa Sharda Vision Cable Networks Private Limited | 0.112% | 10.11 | (0.173%) | 3.60 | 2.004% | 0.11 | (0.179%) | 3.71 |
| 30 | Den Mahendra Satellite Private Limited | 0.005% | 0.46 | (0.023%) | 0.48 | (0.182%) | (0.01) | (0.023%) | 0.47 |
| 31 | Den Malabar Cable Vision Private Limited | (0.036%) | (3.26) | 0.132% | (2.75) | - | - | 0.132% | (2.75) |
| 32 | Den Malayalam Telenet Private Limited | (0.030%) | (2.75) | 0.274% | (5.71) | 0.182% | 0.01 | 0.274% | (5.70) |
| 33 | Den MCN Cable Network Private Limited | (0.215%) | (19.45) | 0.003% | (0.06) | - | - | 0.003% | (0.06) |
| 34 | Den Mod Max Cable Network Private Limited | (0.003%) | (0.31) | 0.073% | (1.53) | 0.182% | 0.01 | 0.073% | (1.52) |
| 35 | Den Nashik City Cable Network Private Limited | 0.105% | 9.50 | 0.251% | (5.22) | - | - | 0.251% | (5.22) |
| 36 | Den Pawan Cable Network Private Limited | 0.064% | 5.79 | 0.559% | (11.64) | 0.182% | 0.01 | 0.560% | (11.63) |
| 37 | Den Pradeep Cable Network Private Limited | (0.021%) | (1.90) | 0.056% | (1.17) | - | - | 0.056% | (1.17) |
| 38 | DEN Prayag Cable Networks Private Limited | 0.234% | 21.11 | (0.617%) | 12.86 | 0.364% | 0.02 | (0.620%) | 12.88 |
| 39 | Den Prince Network Private Limited | (0.056%) | (5.05) | 0.050% | (1.05) | 0.729% | 0.04 | 0.049% | (1.01) |
| 40 | Den Radiant Satelite Cable Network Private Limited | 0.025% | 2.29 | 0.020% | (0.41) | - | - | 0.020% | (0.41) |
| 41 | Den Sahyog Cable Network Private Limited | (0.026%) | (2.39) | 0.019% | (0.40) | (2.914%) | (0.16) | 0.027% | (0.56) |
| 42 | Den Sariga Communications Private Limited | 0.003% | 0.31 | 0.068% | (1.42) | - | - | 0.068% | (1.42) |
| 43 | Den Satellite Cable TV Network Private Limited | (0.160%) | (14.42) | 0.006% | (0.12) | - | - | 0.006% | (0.12) |
| 44 | Den Steel City Cable Network Private Limited | (0.029%) | (2.65) | 0.047% | (0.98) | - | - | 0.047% | (0.98) |
| 45 | Den Supreme Satellite Vision Private Limited | 0.090% | 8.17 | 0.001% | (0.03) | 0.182% | 0.01 | 0.001% | (0.02) |
| 46 | Den Varun Cable Network Private Limited | 0.044% | 3.96 | 0.136% | (2.83) | (0.729%) | (0.04) | 0.138% | (2.87) |
| 47 | Den-Manoranjan Satellite Private Limited | 0.386% | 34.89 | (0.673%) | 14.03 | (0.729%) | (0.04) | (0.673%) | 13.99 |
| 48 | Disk Cable Network Private Limited | 0.045% | 4.10 | 0.001% | (0.03) | - | - | 0.001% | (0.03) |
| 49 | Drashti Cable Network Private Limited | (0.088%) | (7.92) | (0.293%) | 6.11 | (0.182%) | (0.01) | (0.294%) | 6.10 |
| 50 | Fab Den Network Private Limited | 0.095% | 8.62 | 0.039% | (0.82) | 10.565% | 0.58 | 0.012% | (0.24) |
| 51 | Fortune (Baroda) Network Private Limited | (0.019%) | (1.73) | (0.086%) | 1.79 | (0.182%) | (0.01) | (0.086%) | 1.78 |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 52 | Galaxy Den Media & Entertainment Private Limited | 0.029% | 2.62 | - | - | - | - | - | - |
| 53 | Gemini Cable Network Private Limited | 0.178% | 16.11 | (0.106%) | 2.20 | 1.457% | 0.08 | (0.110%) | 2.28 |
| 54 | DEN Patel Entertainment Network Private Limited | (0.013%) | (1.16) | 0.025% | (0.53) | - | - | 0.026% | (0.53) |
| 55 | Mahavir Den Entertainment Private Limited | 0.268% | 24.17 | (1.022%) | 21.30 | 0.546% | 0.03 | (1.026%) | 21.33 |
| 56 | Mahadev Den Cable Network Private Limited | 0.176% | (17.60) | 0.002% | (0.06) | - | - | 0.002% | (0.06) |
| 57 | Meerut Cable Network Private Limited | 0.316% | 28.50 | (0.080%) | 1.66 | (15.665%) | (0.86) | (0.038%) | 0.80 |
| 58 | Multi Channel Cable Network Private Limited | (0.132%) | (11.91) | 0.028% | (0.58) | - | - | 0.028% | (0.58) |
| 59 | Multi Star Cable Network Private Limited | (0.008%) | (0.70) | 0.073% | (1.52) | (0.729%) | (0.04) | 0.075% | (1.56) |
| 60 | Radiant Satellite (India) Private Limited | (0.239%) | (21.57) | - | - | - | - | - | - |
| 61 | Den Rajkot City Communication Private Limited | 0.118% | 10.67 | (1.047%) | 21.81 | 0.182% | 0.01 | (1.050%) | 21.82 |
| 62 | Sanmati DEN Cable TV Network Private Limited | (0.019%) | (1.72) | 0.004% | (0.09) | - | - | 0.004% | (0.09) |
| 63 | Sanmati Entertainment Private Limited | (0.013%) | (1.13) | 0.033% | (0.68) | - | - | 0.033% | (0.68) |
| 64 | Shree Siddhivinayak Cable Network Private Limited | (0.153%) | (13.83) | 0.068% | (1.42) | - | - | 0.068% | (1.42) |
| 65 | Silverline Television Network Private Limited | 0.056% | 5.07 | (0.076%) | 1.58 | - | - | (0.076%) | 1.58 |
| 66 | Sree Gokulam Starnet Communication Private Limited | (0.110%) | (9.95) | 0.015% | (0.31) | - | - | 0.015% | (0.31) |
| 67 | United Cable Network (Digital) Private Limited | (0.007%) | (0.65) | (0.001%) | 0.03 | (0.182%) | (0.01) | (0.001%) | 0.02 |
| 68 | Victor Cable Tv Network Private Limited | (0.010%) | (9.02) | 0.036% | (0.76) | (2.186%) | (0.12) | 0.042% | (0.88) |
| 69 | DEN VM Magic Entertainment Private Limited | 0.030% | 2.74 | 0.026% | (0.54) | - | - | 0.026% | (0.54) |
| 70 | Shri Ram Den Network Private Limited | - | - | - | - | - | - | - | - |
| 71 | Pee Cee Cable Network Private Limited | - | - | - | - | - | - | - | - |
| 72 | Den Ambey Citi Cable Network Private Limited | 0.018% | 1.61 | 0.035% | (0.72) | 0.182% | 0.01 | 0.034% | (0.71) |
| 73 | Den Deva Cable Network Private Limited | 0.003% | 0.26 | (0.023%) | 0.48 | (1.093%) | (0.06) | (0.020%) | 0.42 |
| 74 | Den Ambey Jhansi Cable Network Private Limited | 0.065% | 5.87 | 0.087% | (1.81) | (0.546%) | (0.03) | 0.089% | (1.84) |
| 75 | Den Ambey Farukabad Cable Network Private Limited | 0.044% | 3.94 | 0.145% | (3.02) | (1.457%) | (0.08) | 0.149% | (3.10) |
| 76 | Star Channel Den Network Private Limited | 0.010% | 0.94 | 0.013% | (0.28) | (0.182%) | (0.01) | 0.014% | (0.29) |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 77 | Saturn Digital Cable Private Limited | 0.024% | 2.15 | (0.016%) | 0.34 | - | - | (0.016%) | 0.34 |
| 78 | Den Saya Channel Network Private Limited | 0.005% | 0.43 | (0.255%) | 5.31 | 0.546% | 0.03 | (0.257%) | 5.34 |
| 79 | Den Faction Communication System Private Limited | (0.244%) | (22.00) | 0.011% | (0.22) | (2.550%) | (0.14) | 0.017% | (0.36) |
| 80 | Fun Cable Network Private Limited | (0.063%) | (5.71) | 0.015% | (0.32) | - | - | 0.015% | (0.32) |
| 81 | Den Enjoy Navaratan Network Private Limited | 0.166% | 15.01 | (1.668%) | 34.76 | (0.546%) | (0.03) | (1.671%) | 34.73 |
| 82 | Kishna DEN Cable Networks Private Limited | (0.012%) | (1.08) | 0.092% | (1.91) | - | - | 0.092% | (1.91) |
| 83 | Divya Drishti Den Cable Network Private Limited | 0.004% | 0.33 | 0.043% | (0.90) | - | - | 0.043% | (0.90) |
| 84 | Bhadohi DEN Entertainment Private Limited | 0.005% | 0.44 | 0.034% | (0.71) | - | - | 0.034% | (0.71) |
| 85 | DEN Enjoy SBNM Cable Network Private Limited | 0.008% | 0.74 | 0.079% | (1.65) | (0.729%) | (0.04) | 0.081% | (1.69) |
| 86 | Eminent Cable Network Private Limited | 0.757% | 68.36 | (1.962%) | 40.89 | 4.918% | 0.27 | (1.981%) | 41.16 |
| 87 | Trident Entertainment Private Limited | (0.027%) | (2.42) | (0.363%) | 7.56 | - | - | (0.364%) | 7.56 |
| 88 | Rose Entertainment Private Limited | 0.060% | 5.39 | 0.131% | (2.72) | - | - | 0.131% | (2.72) |
| 89 | Blossom Entertainment Private Limited | (0.011%) | (1.03) | 0.016% | (0.34) | - | - | 0.016% | (0.34) |
| 90 | Ekta Entertainment Network Private Limited | 0.229% | 20.68 | (0.111%) | 2.31 | (2.186%) | (0.12) | (0.105%) | 2.19 |
| 91 | Devine Cable Network Private Limited | (0.001%) | (0.07) | 0.004% | (0.09) | - | - | 0.004% | (0.09) |
| 92 | Nectar Entertainment Private Limited | (0.019%) | (1.68) | 0.041% | (0.85) | - | - | 0.041% | (0.85) |
| 93 | DEN STN Television Network Private Limited | 0.002% | 0.18 | 0.084% | (1.76) | - | - | 0.085% | (1.76) |
| 94 | Multitrack Cable Network Private Limited | 0.005% | 0.46 | 0.101% | (2.10) | - | - | 0.101% | (2.10) |
| 95 | Glimpse Communications Private Limited | (0.003%) | (0.29) | 0.002% | (0.05) | - | - | 0.002% | (0.05) |
| 96 | Indradhanush Cable Network Private Limited | (0.077%) | (6.97) | 0.112% | (2.34) | - | - | 0.113% | (2.34) |
| 97 | Adhunik Cable Network Private Limited | (0.019%) | (1.68) | 0.032% | (0.67) | - | - | 0.032% | (0.67) |
| 98 | Libra Cable Network Private Limited | 0.347% | 31.33 | (0.013%) | 0.28 | - | - | (0.013%) | 0.28 |
| 99 | Srishti DEN Networks Private Limited | 0.312% | 28.16 | 0.301% | (6.27) | 0.182% | 0.01 | 0.301% | (6.26) |
| 100 | Maitri Cable Network Private Limited | (0.003%) | (0.26) | 0.130% | (2.71) | - | - | 0.130% | (2.71) |
| 101 | Melody Cable Network Private Limited | 0.002% | 0.15 | 0.057% | (1.18) | - | - | 0.057% | (1.18) |
| 102 | Mountain Cable Network Private Limited | (0.003%) | (0.29) | 0.044% | (0.91) | - | - | 0.044% | (0.91) |
| 103 | Portrait Cable Network Private Limited | 0.001% | 0.06 | 0.025% | (0.52) | - | - | 0.025% | (0.52) |
| 104 | Mansion Cable Network Private Limited | 2.759% | 249.07 | (3.276%) | 68.26 | (6.557%) | (0.36) | (3.267%) | 67.90 |
| 105 | DEN BROADBAND PRIVATE LIMITED | (4.562%) | (411.87) | 19.479% | (405.89) | 34.244% | 1.88 | 19.440% | (404.01) |

| Name of the entity in the Group | | Net assets, i.e., total assets minus total liability | | Share in Profit / (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|
| | | As % of consolidated net assets | Amount | As % of consolidated (Profit)/ Loss | Amount Profit/(Loss) | As % of consolidated other comprehensive income | Amount Income/(Loss) | As % of consolidated total comprehensive Income)/ Loss | Amount Income/(Loss) |
| | | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) | (in %) | (Rs. in million) |
| 106 | Den Discovery Digital Network Private Limited | 0.182% | 16.44 | (0.634%) | 13.21 | (0.182%) | (0.01) | (0.635%) | 13.20 |
| 107 | Jhankar Cable Network Private Limited | (0.065%) | (5.84) | 0.004% | (0.09) | 0.182% | 0.01 | 0.004% | (0.08) |
| 108 | Den Premium Multilink Cable Network Private Limited | 0.173% | 15.65 | (0.835%) | 17.39 | - | - | (0.837%) | 17.39 |
| 109 | Angel Cable Network Private Limited | 0.013% | 1.20 | 0.023% | (0.48) | (0.182%) | (0.01) | 0.024% | (0.49) |
| 110 | Desire Cable Network Private Limited | (0.020%) | (1.78) | (0.032%) | 0.67 | - | - | (0.032%) | 0.67 |
| 111 | Marble Cable Network Private Limited | 0.005% | 0.43 | 0.028% | (0.58) | - | - | 0.028% | (0.58) |
| 112 | Augment Cable Network Private Limited | 0.015% | 1.31 | 0.021% | (0.43) | - | - | 0.021% | (0.43) |
| 113 | ABC Cable Network Private Limited | 0.007% | 0.59 | 0.050% | (1.04) | - | - | 0.050% | (1.04) |
| 114 | Den MTN Star Vision Networks Private Limited | 0.009% | 0.81 | 0.068% | (1.42) | - | - | 0.068% | (1.42) |
| 115 | Macro Commerce Private Limited | (1.872%) | (202.49) | 0.060% | (1.24) | - | - | 0.060% | (1.24) |
| | | | | | | | | | |
| **Subtotal** | | **105.849%** | **9,531.15** | **101.431%** | **(2,113.52)** | **93.625%** | **5.14** | **101.450%** | **(2,108.38)** |
| **Associates (Investments as per equity method)** | | | | | | | | | |
| 1 | Den Satellite Network Private Limited | | | (0.418%) | 8.71 | 2.368% | 0.13 | (0.425%) | 8.84 |
| 2 | DEN ADN Network Private Limited | | | (0.283%) | 5.89 | (0.364%) | (0.02) | (0.282%) | 5.87 |
| 3 | CCN DEN Network Private Limited | | | 2.126% | -44.31 | 0.364% | 0.02 | 2.131% | (44.29) |
| **Less:** | | | | | | | | | |
| Adjustment arising out of consolidation | | 15.778% | 1,399.25 | 12.749% | (265.63) | 0.729% | 0.04 | 12.780% | (265.59) |
| Non-controlling interests in subsidiaries | | (9.929%) | (896.40) | (9.893%) | 206.14 | (4.736%) | (0.26) | (9.906%) | 205.88 |
| **Total** | | **100.000%** | **9,028.30** | **100.000%** | **(2,083.74)** | **100.000%** | **5.49** | **100.000%** | **(2,078.25)** |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

**58.** Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013

| Name of entity | Amount (Rs. in million) | Full Particulars | Purpose |
|---|---|---|---|
| **Loans given** | | | |
| DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED) | **407.58** | Repayable on demand. Rate of interest is 15 % p.a. | "Funds provided would be utilised for following purposes:<br><br>a) working capital requirements<br>b) general corporate purpose" |
| | (408.68) | | |
| Macro Commerce Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | "Funds provided would be utilised for following purposes:<br><br>a) working capital requirements<br>b) general corporate purpose" |
| | -30.00 | | |
| Amogh Broad Band Services Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | "Funds provided would be utilised for following purposes:<br><br>a) working capital requirements<br>b) general corporate purpose" |
| | -10.00 | | |
| Den Entertainment Network Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | "Funds provided would be utilised for following purposes:<br><br>a) working capital requirements<br>b) general corporate purpose" |
| | -10.00 | | |
| Den Futuristic Cable Networks Private Limited | - | Repayable on demand. Rate of interest is 15 % p.a. | "Funds provided would be utilised for following purposes:<br><br>a) working capital requirements<br>b) general corporate purpose" |
| | -188.44 | | |
| **Investment made** | | | |
| DEN BROADBAND PRIVATE LIMITED (Formerly SKYNET CABLE NETWORK PRIVATE LIMITED) | **1,469.81** | Investment in equity shares | Pursuant to the order of the National Company Law Tribunal, the Broadband division of the Company has been demerged into DEN BROADBAND PRIVATE LIMITED. |
| | (-) | | |
| VBS Digital Distributor Network Private Limited | **26.38** | Investment in equity shares | Strategic investment as part of business expansion. |
| | (-) | | |
| DEN Digital Cable Network Private Limited | **34.00** | Investment in equity shares | Strategic investment as part of business expansion. |
| | (-) | | |
| Macro Commerce Private Limited | - | Investment in equity shares | Strategic investment as part of business expansion. |
| | (210.00) | | |

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in brackets relates to previous year)

**59.** The Consolidated Ind AS Financial Statements were approved for issue by the Board of Directors on 18 May, 2018.

**For and on behalf of the Board of Directors of**
**DEN NETWORKS LIMITED**

**Sd/-**
**Sameer Manchanda**
Chairman and
Managing Director
DIN : 00015459

**Sd/-**
**Ajaya Chand**
Director
DIN : 02334456

**Sd/-**
**S.N. Sharma**
Chief Executive Officer

**Sd/-**
**Jatin Mahajan**
Company Secretary
M. No: F6887

**Sd/-**
**Himanshu Jindal**
Chief Financial Officer

New Delhi
18 May, 2018

# NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the members of DEN Networks Limited will be held on Wednesday, 19th day of September, 2018 at 11.30 A.M. at Kamani Auditorium, 1, Copernicus Marg, New Delhi – 110 001 to transact the following businesses: -

**ORDINARY BUSINESS**

1. **To receive, consider and adopt audited standalone financial statements of the Company for the financial year ended March 31, 2018.**

   To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:-

   **"RESOLVED THAT** the audited standalone financial statements of the Company including the balance sheet as at March 31, 2018, the statement of profit and loss, the cash flow statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

2. **To receive, consider and adopt audited consolidated financial statements of the Company for the financial year ended March 31, 2018.**

   To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:-

   **"RESOLVED THAT** the audited consolidated financial statements of the Company including the balance sheet as at March 31, 2018, the statement of profit and loss, the cash flow statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

3. **Re-appointment of Mr. Ankur Ambika Sahu as a Director liable to retire by rotation.**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:-**

   **"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof), Mr. Ankur Ambika Sahu (DIN: 03623120), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

4. **Appointment of Statutory Auditor of the Company.**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:-

   **"RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, B S R & Associates LLP, Chartered Accountants (Firm Registration No. 116231W /W-100024), be and is hereby appointed as Statutory Auditors of the Company in place of the retiring auditors Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 015125N), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Sixteenth AGM of the Company to be held in the year 2023, at such remuneration plus applicable taxes, out-of-pocket etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**SPECIAL BUSINESS**

5. **To regularize appointment of Non-Executive Independent Director (Additional Director), (Ms.) Dr. Archana Niranjan Hingorani as Non-Executive Independent Director of the Company**

   To consider and if thought fit, to pass the following resolution with or without modification as an **Ordinary Resolution**:-

   **"RESOLVED THAT** pursuant to Section 149 and 152 of the Companies act, 2013, as amended, and all other applicable provisions of the said act, applicable Rules, read with Schedule IV of the Companies Act, 2013, as amended, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof, (Ms.) Dr. Archana Niranjan Hingorani (DIN: 00028037), who was appointed as Non-Executive Independent Director by the Board of Directors on November 09, 2017 who shall hold the office upto the date of Annual General meeting, in respect of which the Company has received a notice from a member under Section 160 of the Companies Act, 2013, as amended, proposing (Ms.) Dr. Archana Niranjan Hingorani, to be appointed as Non-Executive Independent Director, be and is hereby appointed as a Non-Executive Independent Director of the Company for a tenure upto November 08, 2020 and whose office shall not be liable to retire by rotation.

   **RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To approve the remuneration payable to M/s. Ajay Kumar Singh & Co., Cost Accountants as Cost Auditors of the Company, for the financial year 2018-2019**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:-

   **"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013,

as amended, read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force and as per the recommendation of the Audit Committee, M/s. Ajay Kumar Singh & Co., Cost Accountants, (FRN-000386), appointed as Cost Auditors of the company by the Board of Directors of the Company, to audit the cost records of the Company for the financial year 2018-2019, be paid the remuneration as set out in the statement annexed to the notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By order of the Board**
**For DEN Networks Limited**

**Sd/-**
**Jatin Mahajan**
**Company secretary**

**Place: New Delhi**
**Date: August 03, 2018**

**Notes:-**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

1. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of Annual General Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. During the period beginning 24 hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. Members/ Proxies are requested to bring a copy of this notice as no copies will be made available at the meeting. Under no circumstances, photocopies of the admission slip will be allowed for admission to the meeting place. The notice of the 11th Annual General Meeting and the DEN's Annual Report for FY 2017-2018 will be available on the Company's website i.e., www.dennetworks.com, those members who do not receive copies of annual report can collect their copies from the Registered Office of the Company.
5. Members/Proxies should bring the attendance slips duly filled in for attending the meeting.
6. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
8. The Registers of Contract and Arrangements in which directors are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
9. Members can avail the nomination facility with respect to shares held, by submitting a request in writing to the company or to M/s. Karvy Computershare Private Limited, the Registrar and Share transfer Agent of the company.
10. In terms of section 152 of the Companies Act 2013, Mr. Ankur Ambika Sahu (DIN: 03623120), Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Brief resumes/ information of Mr. Ankur Ambika Sahu, nature of expertise and names of other listed companies in which he holds directorship and chairmanship / membership of committees of Board is annexed herewith. On re-appointment, Mr. Ankur Ambika Sahu (DIN: 03623120) will continue to act as Non-Executive Nominee Director of the company. The Board of directors recommends his re-appointment.
11. In terms of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells ('Deloitte'), Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 3 years at the Annual General Meeting held on 29th Sep, 2015. The office of Deloitte shall be completed in ensuing Annual General Meeting. The Board of Directors in their meeting held on 03rd August, 2018 has proposed appointment of M/s. B S R & Associates LLP, Chartered Accountants as Statutory Auditors of the Company for a period of 5 years (i.e., form the conclusion of Eleventh Annual General Meeting to the conclusion of Sixteenth Annual General Meeting), subject to the approval of shareholders in this 11th Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Statutory Auditors and are eligible to hold the office as Auditors of the Company.

Pursuant to the first proviso of Section 139 of the Cos. Act, 2013, the requirement of ratification of Statutory Auditors by members at every Annual General Meeting, has been omitted by the notification dated May 07, 2018 issued by the Ministry of Corporate Affairs, New Delhi.

12. In terms of section 161 of the Companies Act 2013, (Ms.) Dr. Archana Niranjan Hingrani (DIN: 00028037), was appointed as a Non-Executive Independent Director on November 09, 2017. The Company received a letter from a shareholder alongwith prescribed fee to regularise the appointment of (Ms.) Dr. Archana Niranjan Hingrani as Non-Executive Independent Director as per provisions of Section 149 and 152 of the Companies Act, 2013 and its rules. Brief resumes/ information of (Ms.) Dr. Archana Niranjan Hingrani, nature of expertise and names of other listed companies in which she holds directorship and chairmanship / membership of committees of Board is annexed herewith. On appointment, (Ms.) Dr. Archana Niranjan Hingrani will continue to act as Non-Executive Independent Director of the Company, up-to November 08, 2020. The Board of directors recommends her appointment to the members.

13. The registers of members will be closed from September 12, 2018 to September 18, 2018, both days inclusive. The transfer Books of the company will also remain closed for the aforesaid period.

14. All documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company during working hours between, except holidays upto the date of Annual General Meeting.

15. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by KARVY, on all resolutions set forth in this Notice.

16. Notice of the 11th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 11th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.

17. Members are requested to send all the correspondence concerning registration of transfer, transmission, subdivision, consolidation of shares or any other share related matters and or change in address to the Company's Registrar & Share Transfer agent, M/s Karvy Computershare Private Limited, at Karvy House, 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad- 500 034

18. The details of the stock exchanges, on which the securities of the company are listed, are given separately in this Annual Report.

19. Any query related to the accounts may be sent at the Registered Office of the Company at least 10 days before the date of the Annual General Meeting.

20. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrar and Share Transfer agent, Karvy Computershare Private Limited, for consolidation into a single folio.

21. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 5 and 6 of the Notice, is annexed hereto.

22. The Annual Accounts of the Subsidiary Companies shall be available at the Registered Office of the Company for inspection by any shareholder.

23. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect of shares held in physical form and with respective Depository Participants (DP) where the shares are held in dematerialised form.

23. The Route-map to the AGM venue is provided as a part of this Notice as required under Secretarial Standards issued by ICSI.

**INSTRUCTIONS FOR E-VOTING**

**1. Voting through electronic means:**

a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the resolutions contained in this notice.

b) The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Authorised Agency to provide e-voting facilities.

c) The Board of Directors has appointed Mr. Manoj Kumar Jain, Company Secretary in practice as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.

d) Members are requested to carefully read the instructions for e-voting before casting their vote.

e) The e-voting period will commence at 09.00 A.M on September 15, 2018 and will end at 05.00 P.M. on September 18, 2018.

f) The cut-off date (i.e. the record date) for the purpose of e-voting is September 12, 2018.

g) The procedure and instructions for e-voting are as under:

i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'

ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

| | |
|---|---|
| | For Members holding shares in Demat Form:-<br>a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID<br>b) For CDSL :- 16 digits beneficiary ID<br>For Members holding shares in Physical Form:-<br>• Event no. followed by Folio Number registered with the company |
| | Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice |
| Captcha | Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons. |

iii) Please contact toll free No. **1800-3454-001** for any further clarifications.

iv) Members can cast their vote online from September 15, 2018 at 9.00 A.M. upto September 18, 2018 at 5.00 P.M.

v) After entering these details appropriately, click on "LOGIN".

vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile no., email ID etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vii) You need to login again with the new credentials.

viii) On successful login, system will prompt to select the 'Event' i.e., **'DEN NETWORKS LIMITED'.**

ix) If you are holding shares in Demat form and had logged on to https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.

x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'

xi) After selecting the resolution you have decided to vote on, click on "SUBMIT".A confirmation box will be displayed .If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xiii) Corporate/Institutional Members (Corporate/FIs/FIIs/ Trust Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to manojfcs@gmail.com, with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."

h) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not be allowed to vote again at the Meeting.

i) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut off date (i.e., record date), being September 12, 2018

j) The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company (www.dennetworks.com) and on Karvy's website (https://evoting.karvy.com).

**Brief information about Mr. Ankur Ambika Sahu, a Director being re-appointed (liable to retire by rotation) pursuant to Section 152 of the Companies Act, 2013**

| | |
|---|---|
| Name of Director | Mr. Ankur Ambika Sahu |
| Date of Birth | 18/10/1969 |
| Nationality | Indian |
| Date of Appointment on the Board | 27/09/2013 |
| Qualifications | B.S., M. B. A |
| Expertise in Specific Functional Area | Mr. Ankur Ambika Sahu holds a degree in Electrical Engineering from Tufts University (batch of 1991) and an MBA from Harvard Business School (batch of 1996). He joined Goldman Sachs in 1998 as an associate in High Technology and then moved to the Principal Investment Area in 2000.<br>He is currently the co-head of the Merchant Banking Division in Asia Pacific. He was named managing director in 2005 and Partner in 2006. |
| Number of shares held in the Company | Nil |
| Disclosure of relationships between directors inter-se | N/A |
| Names of listed entities* in which he holds the directorship and the membership of the Committees of the Board (i.e., Audit Committee/ Nomination and Remuneration committee) | N/A |

*Excluding DEN Networks Limited

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO. 5**

Pursuant to Section 161 of the Companies Act, 2013 ('Act'), the Board of Directors in its meeting held on November 09, 2017, appointed (Ms.) Dr. Archana Niranjan Hingorani (DIN: 00028037) as Non-Executive Independent Director of the Company. She will hold the office up to the date of the ensuing Annual General Meeting.

The Company has received consent in writing to act as Directors in Form DIR 2 and intimation in Form DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that she is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

Pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 and its rules made thereunder, the Board is in the opinion that (Ms.) Dr. Archana Niranjan Hingorani, proposed to be appointed as Non-Executive Independent Director, fulfils the conditions specified in the Act and the rules made thereunder. (Ms.) Dr. Archana Niranjan Hingorani is independent of the management.

Further, the Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services as Non-Executive Independent Director. Accordingly, the Board recommends the resolution No. 5, in relation to appointment of (Ms.) Dr. Archana Niranjan Hingorani (DIN: 00028037) Non-Executive Independent Director up-to November 08, 2020, for the approval by the members of the Company as an Ordinary Resolution.

Brief information about (Ms.) Dr. Archana Hingorani is appended below:

| | |
|---|---|
| Name of Director | (Ms.) Dr. Archana Hingorani |
| Date of Birth | 09/09/1965 |
| Nationality | Indian |
| Date of Appointment on the Board | 09.11.2017 |
| Qualifications | Bachelor of Arts (Economics), Post-graduate in Management (MBA), Ph.D. in Corporate Finance from the University of Pittsburgh, USA. |

| | |
|---|---|
| Expertise in Specific Functional Area | Dr. Hingorani is Co-founder of Siana Capital Management LLP, an asset manager investing in the science and technology domains. Previously, she was the Chief Executive Officer of IL&FS Investment Managers Limited, and has over 23 years' experience of investing in private equity transactions.<br><br>She serves on the University of Pittsburgh, Chancellor's Global Advisory Council and the Advisory Board of TalentNomics, a Washington based group focused on encouraging upward movement of women in the workforce, and Global Impact Initiative, an Australian firm focused on impact investments.<br><br>In the recent past, she has also served on the Investment Commissions of the United Nations Environment Programme. She has been recognized for leadership by Business World, Fortune India and Asian Investor. She is also an Adjunct Faculty at the Katz Business School, for Private Equity and Alternative Assets. In sum, she has over 32 years' experience in the financial services business, teaching and research. |
| Number of shares held in the Company | Nil |
| Disclosure of relationships between directors inter-se | N/A |
| Names of listed entities* in which she holds the directorship and the membership of the Committees of the Board (i.e., Audit Committee/ Nomination and Remuneration committee) | Alembic Pharmaceuticals Limited<br><br>(Non-Executive Independent Director & Member of Audit Committee)<br><br>5 Paisa Capital Limited (Non-Executive Chairman & Independent Director & Chairman of Audit Committee and Member of NRC) |

*Excluding DEN Networks Limited

The terms and conditions of appointment of (Ms.) Dr. Archana Niranjan Hingorani shall be open for inspection at the registered office of the company by any member during normal business hours on any working day except Saturday, Sunday and public holidays, without any fee.

None of the persons namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, except (Ms.) Dr. Archana Niranjan Hingorani, being Non- Executive Independent Director, are concerned or interested in the above resolution financially or otherwise.

**ITEM NO. 6**

The Board of the Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of M/s. Ajay Kumar Singh & Co., Cost Accountants, as Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019 on remuneration of Rs. 40,000/- (Rupees Forty Thousand) plus applicable taxes and out of pocket expenses as may be incurred.

Accordingly, it is proposed to sought consent of the members by passing an Ordinary Resolution as set out at Item No. 6 of the notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2019.

The proposal as mentioned in Item No. 6 is in the interest of the Company and the Board recommends the resolution for the approval by the members of the Company as an Ordinary Resolution.

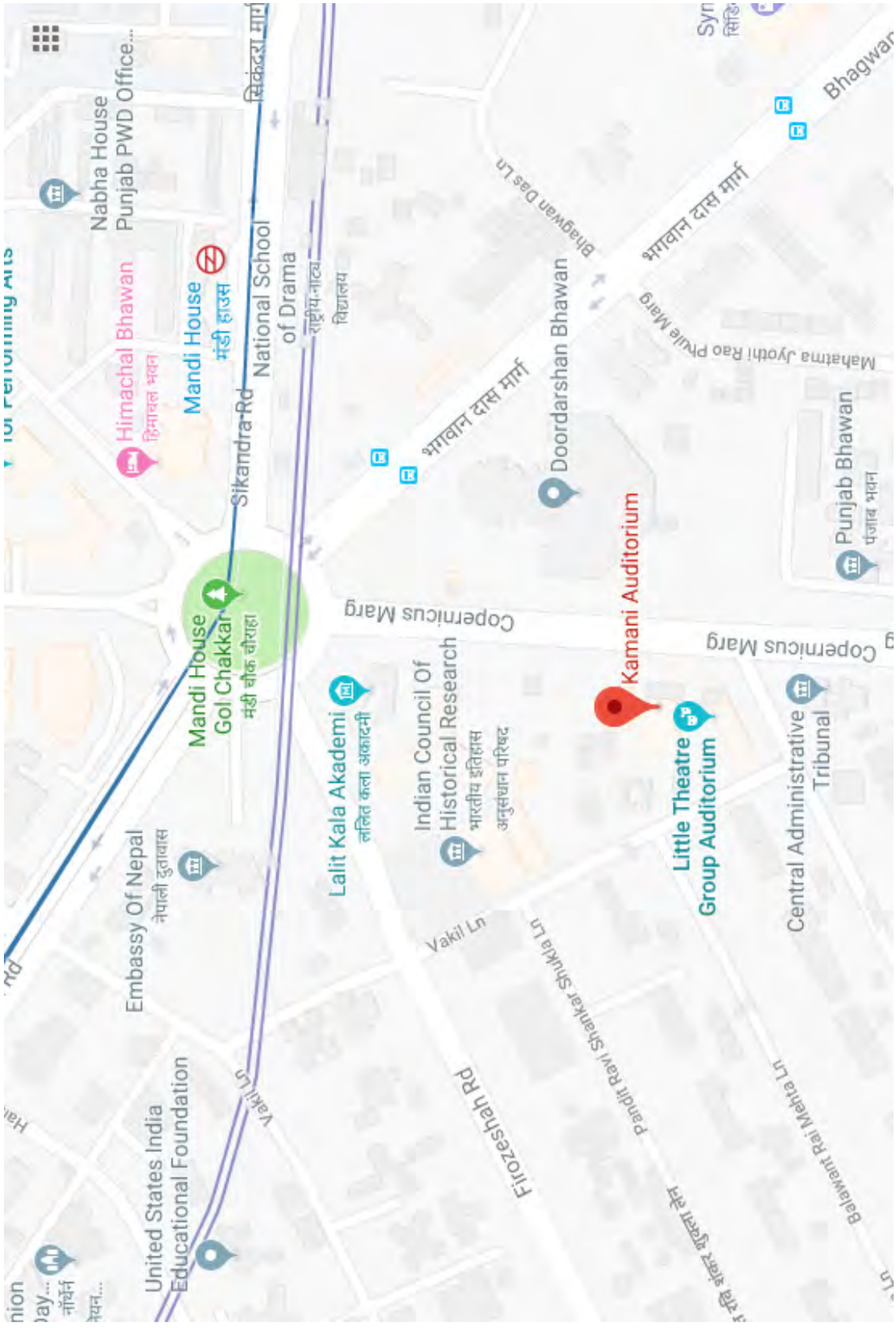
None of the persons namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolution financially or otherwise.

**By order of the Board**
**For DEN Networks Limited**

**Sd/-**
**Jatin Mahajan**
**Company secretary**

**Place: New Delhi**
**Date: August 03, 2018**

## Route map to the venue of the AGM



## NOTES

# DEN NETWORKS LIMITED

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi – 110020
investorrelations@denonline.in | www.dennetworks.com
Tel: + 91 11 40522200, Fax: + 91 11 40522203
11th Annual General Meeting – September 19, 2018

## Attendance Slip

Registered Folio no. / Client ID no. :

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | | | | |

DP ID no:

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | | | | |

Number of shares held

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | | | | |

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 11th Annual General Meeting of the Company at Kamani Auditorium, 1, Copernicus Marg, New Delhi – 110 001, Delhi, on September 19, 2018, at 11.30 a.m. IST

..... .....

Name of the member / proxy Signature of the member / proxy

(in BLOCK letters)

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.


# DEN NETWORKS LIMITED

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi – 110020
investorrelations@denonline.in | www.dennetworks.com
Tel: + 91 11 40522200, Fax: + 91 11 40522203
11th Annual General Meeting – September 19, 2018


## Proxy form

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

| | |
|---|---|
| Name of the member(s) | |
| Registered address | |
| Email | |
| Folio no. / Client ID | |
| DP ID | |

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

Name: ..... Email: .....

Address: .....

.....

.....Signature:

or failing him / her

Name: ..... Email: .....

Address: .....

.....

.....Signature:

or failing him / her

Name: ..... Email: .....

Address: .....

.....

.....Signature:

or failing him/ her as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 11th Annual General Meeting of the Company on Wednesday, 19th day of September 2018 at 11.30 A.M. at Kamani Auditorium, 1, Copernicus Marg, New Delhi – 110 001, Delhi, and at any adjournment thereof in respect of such resolutions are indicated below:

| **Resolution no.** | **Resolution** | **Vote (Optional see Note 2) (Please mention no. of shares)** | | |
|---|---|---|---|---|
| | | For | Against | Abstain |
| Ordinary Business | | | | |
| 1 | To receive, consider and adopt audited standalone financial statements of the Company for the financial year ended March 31, 2018. | | | |
| 2 | To receive, consider and adopt audited consolidated financial statements of the Company for the financial year ended March 31, 2018 | | | |
| 3 | Re-appointment of Mr. Ankur Ambika Sahu as a Director liable to retire by rotation | | | |
| 4 | Appointment of Statutory Auditor of the Company. | | | |
| Special Business | | | | |
| 5 | To regularize appointment of Non-Executive Independent Director (Additional Director), (Ms.) Dr. Archana Niranjan Hingorani as Non-Executive Independent Director of the Company. | | | |
| 6 | To approve the remuneration payable to M/s. Ajay Kumar Singh & Co., Cost Accountants as Cost Auditors of the Company, for the financial year 2018-2019 | | | |

Signed this ..... day of .....2018.

.....  .....

Signature of the member(s)  Signature of the proxy holder(s)

Affix revenue stamp

**Notes:**

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.










DEN Networks Limited.
236, Okhla Phase III,
New Delhi – 110020
www.dennetworks.com