

**DEN ELGEE CABLE VISION
PRIVATE LIMITED
FINANCIAL STATEMENTS
2018-19**

Independent Auditor's Report

To the Members of Den Elgee Cable Vision Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Den Elgee Cable Vision Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the basis for Qualified Opinion section of our report*, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and **profit/Loss** and its cash flows for the year ended on that date.

Basis for Opinion

While preparing the financial statement the company has not followed accounting standard 15 for recognition of employee benefits. The effect in the financial statement is not significant.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("The Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management's and Those Charged with Governance for standalone 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 financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain **reasonable assurance** about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

A further description of our responsibilities for the audit of the financial statements is included in **Annexure A** of the auditor's report.

Other Matter

We have audited financial statements as per random sampling basis. The transactions below Rupees Ten Thousands are not included for our audit sampling.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure- B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, **none of the directors is disqualified** as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Mallesha Kumar & associates**

Chartered Accountants
Firm's Reg. No:- 017260S

Mallesha Kumar
Proprietor
Membership No-233356

Place: Udupi
Date: 13-04-2019

Annexure -"A" to the Auditor's Report

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk is not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. U/s 143(3)(i) of Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial system in place and operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosure made by the management.
4. Evaluate overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieve fair presentation.
5. We also provide those charged with governance with statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable related safeguards.

ANNEXURE B**DEN Elgee Cable Vision Private Limited****Annexure to Independent Auditors' Report for the period ended March 2019**

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

(i) Fixed Assets

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
- b) According to the information and explanations given to us the Company has a regular programme of physical verification to cover fixed assets other than distribution equipment comprising overhead and underground cables. Management is of the view that it is not possible to verify these assets due to their nature and location.

(ii) Inventories

The Company is a service company, primarily rendering cable system network services and there is no inventory in hand at any point of time, hence paragraph 3 (ii) of the order is not applicable to the Company.

(iii) Loans given

The Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence reporting under clause 3 (iii) (a), (b) and (c) does not arise.

(iv) Compliance of Sec. 185 & 186

The Company has not entered into any transaction in respect of loans, investments, guarantee and security which attracts compliance to provisions of section 185 & 186 of the Companies Act, 2013, therefore, paragraph 3 (iv) of the order is not applicable to the company.

(v) Public Deposit

During the year, the company has not accepted any deposits from the public, therefore, paragraph 3 (v) of the order is not applicable.

(vi) Cost Records

In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, for the services provided by the company therefore, paragraph 3 (vi) of the order is not applicable to the company.

(vii) Statutory Dues

- a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including income-tax, Service tax and cess etc. except in case of Profession tax of Rs. 16,800/- in pending for more than one Year. There are no undisputed dues payable, outstanding as on 31st March, 2019 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

(viii) Repayment of Loan

According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken any loans or borrowings from any financial institutions & banks therefore, paragraph 3 (viii) of the order is not applicable to the company.

- (ix) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, paragraph 3 (ix) of the order is not applicable to the company.
- (x) **Reporting of Fraud**
Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) According to information & explanations given to us, **No managerial remuneration** has been paid or provided in during the year.
- (xii) As explained, the company **is not a Nidhi Company**. Therefore paragraph 3 (xii) of the order is not applicable to the company.
- (xiii) As per the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) As per the information and explanations given by the management, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore paragraph 3 (xiv) of the order is not applicable to the company.
- (xv) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Therefore paragraph 3 (xv) of the order is not applicable to the company.
- (xvi) As per the information and explanations given by the management, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore paragraph 3 (xvi) of the order is not applicable to the company.

For **Mallesha Kumar & Associates**
Chartered Accountants
Firm Regn. No: 017260S

Mallesha Kumar
Proprietor
Membership No.233356

Place: Udupi
Date : 13-04-2019

ANNEXURE C

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF DEN ELGEE CABLE VISION PRIVATE LIMITED

Report on the Internal Financial Controls 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 Elgee Cable Vision Private Limited** ("the Company") as of 31 March, 2019 in conjunction with our audit of the 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.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the 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, 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, 2019, based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For **Mallesha Kumar & Associates**
Chartered Accountants
Firm Regn. No: 017260S

Mallesha Kumar
Proprietor
Membership No. 233356

Place: Udupi
Date: 13-04-2019

Balance Sheet as at 31 March, 2019

Particulars Note No.	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
A. ASSETS		
1. Non-current assets		
(a) Property, Plant and Equipment 3	3,671	3,645
(b) Other Intangible assets 3A	-	8
(c) Financial Assets		
(i) Loans 4	-	-
(ii) Finance lease receivables		
(iii) Others financial assets 5	115	255
(d) Deferred tax assets 22	790	1,416
(e) Other non-current assets 6	2,757	2,595
	<u>7,334</u>	<u>7,920</u>
2. Current assets		
(a) Financial Assets		
(i) Trade receivables 7	2,578	3,139
(ii) Loan 4	-	460
(iii) Cash and cash equivalents 8	259	553
(iv) Other financial assets 9	440	-
(b) Other current assets 10	1,174	1,289
	<u>4,451</u>	<u>5,441</u>
TOTAL Assets	<u>11,785</u>	<u>13,361</u>
B. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital 11	1,123	1,123
(b) Other Equity	4,091	2,767
	<u>5,213</u>	<u>3,890</u>
Liabilities		
1. Non-current liabilities		
(a) Provisions 12	154	-
(b) Deferred tax liabilities (net) 22	-	-
(c) Other non-current liabilities 13	1,440	2,716
Total non-current liabilities	<u>1,594</u>	<u>2,716</u>
2. Current liabilities		
(a) Financial Liabilities		
(i) Trade payables 14	2,655	4,288
(ii) Other financial liabilities 15	-	-
(b) Other current liabilities 16	2,323	2,313
(c) Provision 12	-	154
Total current liabilities	<u>4,978</u>	<u>6,755</u>
Total Liabilities	<u>6,572</u>	<u>9,471</u>
Total equity and liabilities	<u>11,785</u>	<u>13,361</u>

See accompanying notes forming part of the financial statements

As per our report of even date attached

For Mallesha Kumar & Associates
Firm Regn No.: 017260S
Chartered Accountants

**For and on behalf of the Board of Directors of
DEN ELGEE CABLE VISION PRIVATE LIMITED**

Mallesha Kumar
Proprietor
Member Ship No.: 233356

Baiju Philip
Director
DIN No.: 05340133

Latheef T S
Director
DIN No.: 02353325

Place: Udipi
Dated: 13-04-2019

Place: Ernakulam
Dated: 13-04-2019

Place: Ernakulam
Dated: 13-04-2019

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

Particulars	Note No.	For the year ended	For the year ended
		31.03.2019	31.03.2018
		(Rs. '000)	(Rs. '000)
1 REVENUE			
(a) Revenue from operations	17	13,640	11,322
(b) Other income	18	5	-
2 TOTAL INCOME		<u>13,645</u>	<u>11,322</u>
3 EXPENSES			
(a) Content cost		-	-
(b) Employee benefit expense	19	2,834	2,372
(c) Finance costs	20	-	-
(d) Depreciation and amortisation expense	3	731	731
(e) Other expenses	21	8,006	10,256
4 TOTAL EXPENSES		<u>11,570</u>	<u>13,359</u>
5 PROFIT/(LOSS) BEFORE EXCPEITIONAL ITEM AND TAX EXPENSE (2-4)		2,075	(2,037)
6 Exceptional items		-	-
7 PROFIT/(LOSS) BEFORE TAX (3-4)		2,075	(2,037)
8 TAX EXPENSE			
(a) Current tax expense	22	126	-
(b) Deferred tax		626	(796)
NET TAX EXPENSE		<u>751</u>	<u>(796)</u>
9 PROFIT / (LOSS) AFTER TAX (5-6)		1,324	(1,241)
10 Other Comprehensive Income			
(i) Items that will not be reclassified to Profit/(Loss)			
- Remeasurements of the defined benefit obligation		-	-
- Deferred Tax on Remeasurements of the defined benefit obligation		-	-
(ii) Income tax relating to items that will not be reclassified to Profit/(Loss)			
Total other comprehensive income		<u>-</u>	<u>-</u>
11 Total Comprehensive Income for the period (7+8)		<u>1,324</u>	<u>(1,241)</u>
12 Earnings per equity share	23		
(Face value of Rs. 10 per share)			
Basic (Rs. per share)		11.79	-11.06
Diluted (Rs. per share)		11.79	-11.06

See accompanying notes forming part of the financial statements

As per our report of even date attached

For Mallesha Kumar & Associates

Firm Regn No.: 017260S

Chartered Accountants

Mallesha Kumar

Proprietor

Member Ship No.: 233356

Place: Udupi

Dated: 13-04-2019

For and on behalf of the Board of Directors of

DEN ELGEE CABLE VISION PRIVATE LIMITED

Baiju Philip

Director

DIN No.: 05340133

Place: Ernakulam

Dated: 13-04-2019

Latheef T S

Director

DIN No.: 02353325

Place: Ernakulam

Dated: 13-04-2019

Statement of Change in Equity for the Year ended 31 March, 2019

A. Equity Share Capital

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

Balance as at 01st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019
1,123	-	1,123

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

Balance as at 01st April, 2017	Changes in equity share capital during the year	Balance as at 31st March, 2018
1,123	-	1,123

B. Other Equity

(Rs. '000)

Particulars	Reserves and Surplus					Retained earnings	Other Comprehensive income	Total
	Securities premium (refer note 11)	General reserve	Equity-settled employee benefits reserve	Capital Redemption Reserve	Actuarial Gain / (Loss)			
Balance at the beginning of April 1, 2018	5,307	-	-	-	-	(2,540)	-	2,767
Premium on shares issued during the year	-	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-	-
ESOP compensation expense	-	-	-	-	-	-	-	-
Equity instruments of other entity	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	1,324	-	1,324
Transfer to retained earnings	-	-	-	-	-	-	-	-
Redemption of Preference shares-CRR	-	-	-	-	-	-	-	-
Balance at the end of March 31, 2019	5,307	-	-	-	-	(1,217)	-	4,091

Statement of Change in Equity for the Year ended March 31, 2018

(Rs. '000)

Particulars	Reserves and Surplus					Retained earnings	Other Comprehensive income	Total
	Securities premium (refer note 11)	General reserve	Equity-settled employee benefits reserve	Capital Redemption Reserve	Actuarial Gain / (Loss)			
Balance at the beginning of April 1, 2017	5,307	-	-	-	-	(1,299)	-	4,008
Premium on shares issued during the year	-	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-	-
ESOP compensation expense	-	-	-	-	-	-	-	-
Equity instruments of other entity	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(1,241)	-	(1,241)
Transfer to retained earnings	-	-	-	-	-	-	-	-
Redemption of Preference shares-CRR	-	-	-	-	-	-	-	-
Balance at the end of March 31, 2018	5,307	-	-	-	-	(2,540)	-	2,767

See accompanying notes forming part of the financial statements

As per our report of even date attached

For Mallesha Kumar & Associates

Firm Regn No.: 017260S

Chartered Accountants

Mallesha Kumar

Proprietor

Member Ship No.: 233356

Place: Udipi

Dated: 13-04-2019

For and on behalf of the Board of Directors of

DEN ELGEE CABLE VISION PRIVATE LIMITED

Baiju Philip

Director

DIN No.: 05340133

Place: Ernakulam

Dated: 13-04-2019

Latheef T S

Director

DIN No.: 02353325

Place: Ernakulam

Dated: 13-04-2019

Statement Cash Flow for the year ended 31 March, 2019

	For the Year Ended 31.03.2019 (Rs. '000)	For the Year Ended 31.03.2018 (Rs. '000)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	2,075	(2,037)
Adjustments for:		
Depreciation and amortisation expense	731	731
Finance costs	-	-
Liabilities/ excess provisions written back (net)	(68)	-
Provision for doubtful debts	3,079	1,856
Interest income on income tax refund	-	-
Interest income on Fixed Deposit	-	-
Operating profit before working capital changes	5,817	550
Changes in working capital:		
<u>Adjustments for (increase)/ decrease in operating assets:</u>		
Trade Receivables	(2,518)	(1,696)
Other current financial assets	(440)	-
Other current non- financial assets	115	(193)
Other Financial Assets	140	(3)
Loan	460	9
Other non current non-financial assets	(162)	352
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Current financial Liabilities	-	-
Current non-financial Liabilities	10	(224)
Current tax liabilities (Net)	-	-
Trade Payable	(1,565)	1,689
Other non current non-financial Liabilities	(1,276)	(403)
Long Term Provisions	154	-
Short term provisions	(154)	(77)
Cash generated from operations	580	5
Taxes paid / (received)	(126)	-
Net Cash from Operating Activities	455	5
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets,	(749)	(318)
Purchase of Investments	-	-
Interest income on Fixed Deposit	-	-
Advance for Investment	-	-
Net Cash used in Investing Activities	(749)	(318)
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	-	-
Finance costs	-	-
Payment of Equity dividend Including Tax	-	-
Repayment of long term borrowings	-	-
Net Cash from Financing Activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	(294)	(314)
Cash and Cash Equivalents at the beginning of the period	553	867
Cash and Cash Equivalents at the end of the period	259	553
Cash and Cash Equivalents at the end of the period comprise of:		
Cash on Hand	150	125
Cheques on hand	-	-
Balances with Banks in Current Accounts	109	428
	259	553

Note : The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "Statement of Cash Flow" issued by the Central Government under Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (Companies Indian Accounting Standard Rules, 2015)

As per our report of even date attached

For Mallesha Kumar & Associates

Firm Regn No.: 017260S

Chartered Accountants

Mallesha Kumar

Proprietor

Member Ship No.: 233356

Place: Udupi

Dated: 13-04-2019

For and on behalf of the Board of Directors of

DEN ELGEE CABLE VISION PRIVATE LIMITED

Baiju Philip

Director

DIN No.: 05340133

Place: Ernakulam

Dated: 13-04-2019

Latheef T S

Director

DIN No.: 02353325

Place: Ernakulam

Dated: 13-04-2019

Notes Forming Part of the Financial Statements

1. Background

Den Elgee cable vision Private Limited is a Company incorporated in India on 6th August , 2008. The Company is primarily engaged in providing cable television distribution and other related services. It is a subsidiary of Den Networks Limited w.e.f 3rd June 2009 which is listed on BSE & NSE.

2 Significant accounting policies

2.01 Basis of preparation

(i) Statement of Compliance and basis of preparatio

The financial statements of the company Comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (Companies Indian Accounting Standard Rules, 2015) and other relevant provisions of the Act. These financial statements are the company's first Ind AS financial statements and as covered by IND As 101 (first time adoption of Indian Accounting standards). "For all periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the Accounting Standards as notified under section 133 of the companies act 2013, read together with the companies (accounts) rules 2014 (herein after referred to as Indian GAAP financial statements). These financial statements for the year ended 31st march 2017 are the first the company has prepared in accordance with Ind AS (refer note for information on how the company has adopted IndAS).

(i) Basis of measurement

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

2.02 Use of estimates

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

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

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

2.04 Cash flow statement

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

2.05 Property, plant and equipment

All the items of property, plant and equipment are stated at historical cost net off cenvat credit less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. "Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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

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

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

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in

Notes Forming Part of the Financial Statements

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

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

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

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

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

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

2.06 Revenue recognition

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

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

i. Income from operations

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

ii. Sale of equipment

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

2.07 Other income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.08 Foreign exchange gains and losses

The functional currency for the Company is INR determined as the currency of the primary economic environment in

Notes Forming Part of the Financial Statements

which it operates. For the Company, the functional currency is the local currency of the country in which it operates, i.e. INR which is also presentation currency of the company.

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

Treatment of exchange differences

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

2.09 Financial instruments

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

2.09.1 Initial recognition

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

2.09.2 Subsequent measurement

(i) Financial assets carried at amortised cost

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

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

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

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

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

(iv) Financial liabilities

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

(v) Derecognition of financial assets/liabilities

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

(vi) Impairment of financial assets

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

(vii) Offsetting of financial instruments

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

Notes Forming Part of the Financial Statements

2.10 Employee benefits

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

a. Defined contribution plans

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

b. Defined benefit plans

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

c. Short term employee benefits

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

d. Other Long term employee benefits

The Liabilities for earned leave and sick leave are not expected to settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of service provided by the employees upto end of the reporting period using the projected unit credit method. The benefits are using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit & Loss. The Obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.11 Borrowing costs

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

2.12 Leases

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases.

2.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is

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

2.14 Taxes on income

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

2.14.1 Current tax

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

2.14.2 Deferred tax

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

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

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

2.15 Impairment of assets

2.15.1 Financial Assets

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

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

2.15.2 Non financial assets

Intangible assets and property, plant and equipment Property plant

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

Notes Forming Part of the Financial Statements

corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

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

2.16 Provisions and contingencies

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

2.17 Fair value measurement

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

2.18 GST input credit

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

2.19 Operating Cycle

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

2.20 Current Versus Non Current Classification :

- i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset as current when it is:
 - 1 Expected to be realized or intended to be sold or consumed in normal operating cycle
 - 2 Held primarily for the purpose of trading
 - 3 Expected to be realized within twelve months after the reporting period, or
 - 4 Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
 All other assets are classified as non - current.
- ii. A liability is current when:
 1. Expected to be settled in normal operating cycle
 2. Held primarily for the purpose of trading
 3. Due to be settled within twelve months after the reporting period, or
 4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
 All other liabilities are treated as non - current.
 Deferred tax assets and liabilities are classified as non - current assets and liabilities.

Notes Forming Part of the Financial Statements

	As at 31 March, 2019	As at 31 March, 2018	(Rs. '000) As at 01.04.2017
3. PROPERTY, PLANT AND EQUIPMENT			
Carrying amounts of :			
Leasehold Improvements	233	290	349
Plant and equipment			-
Headend and distribution equipment	3,324	3,189	3,413
Set top boxes*	-	-	-
Modems and routers	-	-	-
Building	-	-	-
Computers	-	-	-
Office and other equipment	(43,594)	(43,609)	7
Furniture and Fixtures	2	11	79
Vehicles	79	137	195
	<u>3,671</u>	<u>3,645</u>	<u>4,043</u>
Capital work in progress	-	-	-
	<u>3,671</u>	<u>3,645</u>	<u>4,043</u>

(Rs. '000)

	Leasehold Improvements	Plant and equipment					Furniture and Fixtures			Total
		Headend and distribution equipment	Set top boxes*	Building	Modems and routers	Computers	Office and other equipment	Vehicles		
Deemed cost										
Balance at 1 April, 2017	349	3,413	-	-	-	-	7	79	195	4,043
Additions -	304	-	-	-	-	15	-	-	318	
Disposals -	-	-	-	-	-	-	-	-	-	
Balance at 31 March, 2018	349	3,717	-	-	-	-	22	79	195	4,362
Additions -	725	-	-	-	-	24	-	-	749	
Disposals -	-	-	-	-	-	-	-	-	-	
Balance at 31 March, 2019	349	4,442	-	-	-	-	45	79	195	5,110
Accumulated depreciation										
Balance at 1 April, 2017	-	-	-	-	-	-	-	-	-	NA
Depreciation expenses	(58)	(529)	-	-	-	-	(4)	(68)	(58)	(717)
Elimination on disposals of assets	-	-	-	-	-	-	-	-	-	-
Balance at 31 March, 2018	(58)	(529)	-	-	-	-	(4)	(68)	(58)	(717)
Depreciation expenses	(58)	(589)	-	-	-	-	(8)	(9)	(58)	(723)
Eliminated on disposals of assets	-	-	-	-	-	-	-	-	-	-
Balance at 31 March, 2019	(116)	(1,118)	-	-	-	-	(12)	(77)	(116)	(1,439)
Carrying amount										
Balance at 1 April, 2017	349	3,413	-	-	-	-	7	79	195	4,043
Additions -	304	-	-	-	-	15	-	-	318	
Disposals -	-	-	-	-	-	-	-	-	-	
Depreciation expenses	(58)	(529)	-	-	-	-	(4)	(68)	(58)	(717)
Balance at 31 March, 2018	290	3,189	-	-	-	-	18	11	137	3,645
Additions -	725	-	-	-	-	24	-	-	749	
Disposals -	-	-	-	-	-	-	-	-	-	
Depreciation expense	(58)	(589)	-	-	-	-	(8)	(9)	(58)	(723)
Balance at 31 March, 2019	233	3,324	-	-	-	-	33	2	79	3,671

Notes Forming Part of the Financial Statements

Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
4. Loans		
<u>Current</u>		
Loans to employees	-	-
Other Loans and Advances considered Good	-	460
	-	460
Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
5. Other financial assets		
Considered good		
a. Security deposits	115	255
b. Loans to employees		
c. Loans to subsidiaries		
	115	255
	115	255
Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
6. Other non-current assets		
<u>Other non-financial assets</u>		
i. Considered good		
a. Prepaid expenses	2,627	2,475
b. Advance Tax	82	120
Advance Tax - Wealth Tax	-	-
c. Balances with government authorities	-	-
i. CENVAT credit receivable	-	-
ii. VAT credit receivable	-	-
iii. MAT Credit	-	-
iv. Service Tax credit receivable	-	-
v. GST Credit	49	
(i) Others		
d. Others	-	-
Considered good		
e. Deposits more than 12 Months		
f. Deposits against cases with		
i. Sales tax authorities	-	-
ii. Entertainment tax authorities		
iii. Entry tax authorities		
	2,757	2,595
	2,757	2,595

Notes Forming Part of the Financial Statements

Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
7. Trade receivables (Unsecured)		
Current		
Trade receivables		
(a) secured, considered good	2,578	3,139
(b) unsecured, considered good	2,039	3,374
(c) Doubtful	(2,039)	(3,374)
Allowance for doubtful debts (Expected credit loss allowance)	<u>2,578</u>	<u>3,139</u>
Movements in the allowance for doubtful debts		
Opening balance of provision bad and doubtful debts	3,374	1,518
Add: Provision for bad and doubtful debts made during the year	(1,335)	1,856
Less: Excess provision written back during the year		
Closing balance of provision for bad and doubtful debts	<u>2,039</u>	<u>3,374</u>
	As at	As at
Particulars	31.03.2019	31.03.2018
	(Rs. '000)	(Rs. '000)
8. Cash and cash equivalents		
a. Cash on hand	150	125
b. Cheques on hand	-	-
c. Balance with scheduled banks		
in current accounts	109	428
in deposit accounts	-	-
Cash and cash equivalent as per balance sheet	<u>259</u>	<u>553</u>
	As at	As at
Particulars	31.03.2019	31.03.2018
	(Rs. '000)	(Rs. '000)
9. Other financial assets		
i. Considered good		
a. Unbilled Revenue	440	-
Less: Provision for doubtful loans and advances	-	-
b. Interest accrued but not due on fixed deposits	-	-
c. Advance for Investment	-	-
	<u>440</u>	<u>-</u>
ii. Considered doubtful		
a. Balances with government authorities		
i. Service Tax credit receivable	-	-
- Considered doubtful		
b. Security deposits	-	-
Less: Provision for doubtful loans and advances	-	-
Less : Provision for doubtful other loans and advances	-	-
Less: Provision for doubtful loans and advances	-	-
	<u>440</u>	<u>-</u>

Notes Forming Part of the Financial Statements

Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
10. Other current assets		
<u>Other non-financial assets</u>		
a. Prepaid expenses	1,174	1,280
b. Balance with government authorities		
i. CENVAT credit receivable	-	9
ii. VAT credit receivable	-	-
iii. Service tax credit receivable	-	-
iv. MAT credit entitlement	-	-
v. Custom duty advance	-	-
vi. SAD Recoverable	-	-
vii. Others	-	-
c. Others		
i. Supplier advances	-	-
i. Other advances	-	-
	1,174	1,289

Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
11. SHARE CAPITAL		
AUTHORISED		
1,20,000 Equity Shares of Rs. 10/- each	1,200	1,200
ISSUED, SUBSCRIBED AND FULLY PAID UP		
1,12,258 Equity Shares of Rs. 10/- each, fully paid up	1,123	1,123
	1,123	1,123

a) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2019 and March 31, 2018 and April 1, 2017 is set out below:

Particulars	March 31, 2019		March 31, 2018	
	No of shares	Amount	No of shares	Amount
	Numbers of shares at the Beginning	112,258	1,123	112,258
Add: Shares issued during the year	-	-	-	-
Numbers of shares at the End	112,258	1,123	112,258	1,123

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

Particulars	March 31, 2019		March 31, 2018	
	No of shares	Amount	No of shares	Amount
	Den Networks Limited (Holding Company)*	57,252	573	57,252

Notes Forming Part of the Financial Statements

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

Particulars	March 31, 2019		March 31, 2018		April 01, 2017	
	No of shares	% Holding	No of shares	% Holding	No of shares	% Holding
Den Networks Limited (Holding Company)	57,252	51.00	57,252	51.00	57,252	51
Latheef TS	27,503	24.50	27,503	24.50	27,503	25
George PK	27,503	24.50	27,503	24.50	27,503	25

d) The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Equity Shareholders are eligible to dividend proposed by the Board of Directors as approved by Shareholders in the ensuing Annual General Meeting.

e) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) **Nature and purpose of Reserves:**

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

Particulars	As at	As at
	31.03.2019	31.03.2018
	(Rs. '000)	(Rs. '000)
12. Provisions		
<u>Long-term provisions</u>		
Provision for employee benefits		
Provision for gratuity {Refer No. 26}	154	-
Provision for Fringe Benefit Tax	-	-
	154	-
<u>Short-term provisions</u>		
Provision for employee benefits		
Provision for gratuity {Refer Note - 26}	-	154
	-	154
Particulars	As at	As at
	31.03.2019	31.03.2018
	(Rs. '000)	(Rs. '000)
13. Other non-current liabilities		
a. Deferred revenue	1,440	2,716
	1,440	2,716

Notes Forming Part of the Financial Statements

Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
14. Trade payables		
Trade payables - Other than acceptances*		
a. total outstanding dues of micro enterprises and small enterprises	-	-
b. total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable for goods and services	2,655	4,288
	2,655	4,288

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

* No outstanding dues to micro, small and medium enterprises.

	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
<u>MSME Disclosure in notes to accounts</u>		
The following details relating to micro, small and medium enterprises shall be disclosed in the notes:-		
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and 3	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Explanation.- The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006."		

Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
15. Other financial liabilities		
a. Other	-	-
	-	-

Notes Forming Part of the Financial Statements

Particulars	As at 31.03.2019 (Rs. '000)	As at 31.03.2018 (Rs. '000)
16. Other current liabilities		
<u>Other non financial liabilities</u>		
a. Deferred revenue	488	658
b. Statutory Liabilities	41	148
c. Other payables		
i. Share Application Money [in excess of authorized share capital]	-	-
Advances from customers	510	-
ii. Others	1,214	1,339
d. Salary payable	69	168
	2,323	2,313
	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
17. REVENUE FROM OPERATIONS		
a. Operating revenue	11,376	11,322
b. Other operating revenue		
i. Sale of equipment	-	-
ii. Commission income	1,639	-
iii. Profit on sale of fixed assets	-	-
iv. Liabilities/ excess provisions written back	68	-
v. Miscellaneous income	557	-
	13,640	11,322
	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
18. OTHER INCOME		
a. Interest income		
i. on fixed deposits	-	-
ii. on loans to others	-	-
iii. On sale of assets under finance lease [including tax deducted at source Rs. Nil (Previous year Rs. 0.15)]	-	-
iv. on income tax refund	5	-
b. Net gain on sale of current investments (other than non trade and unquoted)	-	-
c. Profit From Sale of Equipments	-	-
d. Dividend Income	-	-
e. Net gain/(loss) arising on financial assets designated as at FVTPL	-	-
f. Foreign Exchange Gain (Net)	-	-
g. i. from current investments	-	-
ii. from investments in subsidiaries (see note 30(II)A)	-	-
	5	-

Notes Forming Part of the Financial Statements

Particulars	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
19. EMPLOYEE BENEFIT EXPENSE		
a. Salaries and allowances*	2,595	2,141
b. Contribution to provident and other funds	92	94
c. Gratuity expense	-	-
d. Share based payment expense	-	-
e. Staff welfare expenses	146	138
	<u>2,834</u>	<u>2,372</u>
	<u>2,834</u>	<u>2,372</u>
Particulars	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
20. FINANCE COSTS		
a. Other borrowing costs	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Particulars	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)
21. OTHER EXPENSES		
a. Rent and hire charges	229	189
b. Repairs and maintenance		
i. Plant and machinery	2,027	3,248
ii. Others	283	-
c. Power and fuel	518	588
d. Director's sitting fees	-	-
e. Consultancy, professional and legal charges*	132	1,126
f. Expenditure on corporate social responsibility	-	-
g. Brokerage/ commission	-	-
h. Subscription share/ charges	967	1,491
i. Contract service charges	-	-
j. Printing and stationery	24	23
k. Travelling and conveyance	423	439
l. Advertisement, publicity and business promotion	11	62
m. Communication expenses	36	48
n. Insurance	24	15
o. Rates and taxes	13	35
p. STB Activation charges	148	703
q. Provision for doubtful trade receivables and advances	151	1,856
r. Bad trade receivables and advances written off	2,929	-
s. Miscellaneous expenses	17	305
t. Prior period expense (net)	77	131
	<u>8,006</u>	<u>10,256</u>
	<u>8,006</u>	<u>10,256</u>
* Consultancy, professional and legal charges includes Auditor's remuneration as under :		
a. To statutory auditors		
For audit	60	60
For other services	-	-
b. To cost auditors for cost audit	-	-
c. To Tax auditor	25	48
	<u>85</u>	<u>108</u>
	<u>85</u>	<u>108</u>

Notes Forming Part of the Financial Statements

Particulars	For the year ended 31.03.2019 (Rs. '000)	For the year ended 31.03.2018 (Rs. '000)		
22. Current Tax and Deferred Tax				
(a) Income Tax Expense				
Current Tax:				
Current Income Tax Charge	126	-		
Deferred Tax				
In respect of current year origination and reversal of temporary differences	(626)	(796)		
	(500)	(796)		
Total Tax Expense recognised in profit and loss account	(626)	(796)		
(b) Movement of Deferred Tax				
(i) Movement of Deferred Tax for 31.03.2019		(Rs. '000)		
	Year ended 31.03.2019			
Particulars	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	419	(35)		384
Other financial asset	-	-		-
	419	(35)	-	384
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	40	-	-	40
Share issue expenses	-	-		-
Doubtful debts/advances/impairment	869	(572)		296
Deferred Revenue	-	-		-
Other financial asset	89	(19)		70
Other Items	-	-		-
	997	(591)	-	406
Net Tax Asset (Liabilities)	1,416	(626)	-	790
(ii) Movement of Deferred Tax for 31.03.2018				(Rs. '000)
	Year ended 31.03.2018			
Particulars	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	464	(45)		419
Other financial asset	-	-	-	-
	464	(45)	-	419
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	60	(20)	-	40
Share issue expenses	-	-		-
Doubtful debts/advances/impairment	-	869		869
Deferred Revenue	-	-		-
Financial Assets	96	(8)		89
Other Items	-	-		-
	156	841	-	997
Net Tax Asset (Liabilities)	620	796	-	1,416

Notes Forming Part of the Financial Statements

Particulars	Year ended 31.03.2019	Year ended 31.03.2018	
23. Earnings per equity share (EPS)*			
a. Profit/(Loss) for the year attributable to Owners of the Company	1,324	(1,241)	
b. Weighted average number of equity shares outstanding used in computation of basic EPS	112,258	112,258	
c. Basic earning per share from continuing operations	11.79	(11.06)	
d. Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS	112,258	112,258	
e. Diluted earning per share from continuing operations	11.79	(11.06)	
* There are no potential equity shares as at 31 March, 2019			
**There is no discontinued operation of the company			
	As at 31.03.2019	As at 31.03.2018	As at 01.04.2017
	(Rs. '000)	(Rs. '000)	(Rs. '000)
24. Capital commitments and contingent liabilities			
a. Capital commitments			
Estimated amount of contracts remaining to be executed on tangible capital assets (net of advances)	Nil	Nil	Nil
b. Contingent liabilities			
i) Claims against the Company not acknowledged as debts*	Nil	Nil	Nil
ii) Guarantees	Nil	Nil	Nil
iii) Other money for which the Company is contingently liable	Nil	Nil	Nil
c. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.			
25. Related Party Disclosures			
I. List of related parties			
a Holding Company			
1 DEN Networks Limited			
b Associate entities			
c Persons having substansial interest in the company			
1 Latheef TS	Director		
2 George PK	Director		
3 Star media advertisers	Company controlled by directors of Denelgee Cable Vision Pvt Ltd		
d Key managerial personnel			
1 Latheef TS	Director		
2 George PK	Director		
e. Companies under the common control of the holding company			
1 Aster Entertainment Private Limited			
2 Kerala Entertainment Pvt Ltd			

Notes Forming Part of the Financial Statements

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

Particulars	Holding Company	Key managerial Personnel		Persons having substantial interest in the company	Companis Under Common Control			Grand total
		Latheef T.S.	George. PK	Star media	Aster Entertainment Private Limited	Kerala Entertainment Pvt Ltd	Den Broadband Pvt Ltd	
A. Transactions during the year								
i. Operating revenue								
For the Year ended 31 March 2019	-				-			-
For the Year ended 31 March 2018	-				(3)			(3)
ii. Content Cost								
For the Year ended 31 March 2019	-							-
For the Year ended 31 March 2018	-							-
iii. Other expenses								
For the Year ended 31 March 2019	1,616							1,616
For the Year ended 31 March 2018	2,894							2,894
B. Outstanding balances at year end								
i. Trade payables								
As on 31 March 2019	(2,360)				(295)			(2,655)
As on 31 March 2018	(3,703)				(496)		-	(4,199)
ii. Unbilled Revenue								
As on 31 March 2019	-							-
As on 31 March 2018	-							-
iii. Other Current Liabilities								
As on 31 March 2019	(580)	(177)	(121)					(878)
As on 31 March 2018	(580)	(177)	(121)					(878)
iv. Trade receivables								
As on 31 March 2019	-			889			213	889
As on 31 March 2018	(190)			871				680
v. Other Loans and Advance								
As on 31 March 2019	376					-		376
As on 31 March 2018	(227)					-		(227)

26. Disclosure pursuant to IND AS 15 on 'Employee Benefits'

Employee benefit plans

(i) Defined benefit plans

Gratuity plan

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 2,000,000. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date. But for the year as at 31st March, 2019 actuarial valuation of gratuity liability has no carried out.

Notes Forming Part of the Financial Statements

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Company financial statements as at 31 March, 2019:

1.1 (a): Changes in Present Value of Obligations:

(Rs. '000)

Period	Year ended 31 March 2019	Year ended 31 March 2018
Present value of the obligation at the beginning of the period	154	154
Interest cost	-	-
Current service cost	-	-
Benefits paid (if any)	-	-
Actuarial (gain)/loss	-	-
Present value of the obligation at the end of the period	154	154

1.1 (b): Bifurcation of total Actuarial (gain) / loss on liabilities

Period	As on: 31/03/2019	As on: 31/03/2018
Actuarial gain / losses from changes in Demographics assumptions (mortality)	-	-
Actuarial (gain)/ losses from changes in financial assumptions	-	-
Experience Adjustment (gain)/ loss for Plan liabilities	-	-
Total amount recognized in other comprehensive Income	-	-

1.2: Key results (The amount recognized in the Balance Sheet):

Period	As on: 31/03/2019	As on: 31/03/2018
Present value of the obligation at the end of the period	(154)	(154)
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	(154)	(154)
Funded Status	(154)	(154)

1.3 (a): Expense recognized in the statement of Profit and Loss:

Period	From: 01/04/2018 To: 31/03/2019	From: 01/04/2017 To: 31/03/2018
Interest cost	-	-
Current service cost	-	-
Expected return on plan asset	-	-
Expenses to be recognized in the statement of profit and loss account	-	-

1.3 (b): Other comprehensive (income) / expenses (Remeasurement)

Period	From: 01/04/2018 To: 31/03/2019	From: 01/04/2017 To: 31/03/2018
Actuarial (gain)/loss - obligation	-	-
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	-	-

Notes Forming Part of the Financial Statements

1.4: Experience adjustment:

Period	From: 01/04/2018 To: 31/03/2019	From: 01/04/2017 To: 31/03/2018
Experience Adjustment (Gain) / loss for Plan liabilities	154	154
Experience Adjustment Gain / (loss) for Plan assets	-	-

2.2: Current liability:

Period	As on: 31/03/2019	As on: 31/03/2018
Current Liability (Short Term)*	-	154
Non Current Liability (Long Term)	154	-
Total Liability	154	154

27. Defined contribution Plans:

Employee Benefit expenses includes the following defined contribution plans:

Benefit (Contribution)	2018-19	2017-18
Provident Fund:	-	-
Employee State Insurance:	92	94

The benefits under defined contribution plans are deposited in the fund managed by the appropriate authority of central Government.

28. FINANCIAL INSTRUMENTS

(a) Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument.

Financial assets and liabilities:

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

<u>As at 31 March, 2019</u>				(Rs. '000)
Financial assets*	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Cash and cash equivalents	259			259
Trade receivables	2,578			2,578
Loans	-			-
Security deposits	115			115
Other current financial asset	440			440
	3,392	-	-	3,392
Financial liabilities*	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Non current borrowings			-	-
Current borrowings	-		-	-
Trade payables	2,655			2,655
Other current financial liabilities	-		-	-
	2,655	-	-	2,655

Notes Forming Part of the Financial Statements

As at 31 March, 2017				(Rs. '000)
Financial assets*	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Cash and cash equivalents	553			553
Trade and other receivables	3,139			3,139
Loans	460			460
Security deposits	255			255
Other current financial asset	-			-
	4,407	-	-	4,407
Financial liabilities*	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Long term borrowings			-	-
Short term borrowings	-		-	-
Trade payables	4,288			4,288
Other current financial liabilities	-		-	-
	4,288	-	-	4,288
As at 31 March, 2016				(Rs. '000)
Financial assets*	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Cash and cash equivalents	867			867
Trade and other receivables	3,300			3,300
Loans	469			469
Security deposits	253			253
Other current financial asset	-		-	-
	4,887	-	-	4,887
Financial liabilities*	Amortised Cost	FVTOCI	FVTPL	Total carrying value
Long term borrowings			-	-
Short term borrowings			-	-
Trade payables	2,599			2,599
Other current financial liabilities	-		-	-
	2,599	-	-	2,599

(b) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

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

Market Risk

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

Interest Rate Risk

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

Notes Forming Part of the Financial Statements

Foreign Currency Risk

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

Credit Risk

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

Trade Receivables

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

Contingent Liability

A TDS defaults of Rs.1,92430 is showing in TDS Traces website.

Financial Instruments and Cash Deposits

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

Liquidity Risk

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

As per our report of even date attached

For Mallesha Kumar & Associates

Firm Regn No.: 017260S

Chartered Accountants

Mallesha Kumar

Proprietor

Member Ship No.: 233356

Place: Udupi

Dated: 13-04-2019

For and on behalf of the Board of Directors of

DEN ELGEE CABLE VISION PRIVATE LIMITED

Baiju Philip

Director

DIN No.: 05340133

Place: Ernakulam

Dated: 13-04-2019

Latheef T S

Director

DIN No.: 02353325

Place: Ernakulam

Dated: 13-04-2019