Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)
Balance Sheet as at March 31, 2017

	Notes	March 31, 2017 ` millions	March 31, 2016 ` millions
A. Assets			
1. Non-current assets			
Fixed assets			
(a) Property, plant and equipment	3	102.17	71.33
(b) Capital work-in-progress		-	0.03
(c) Other intangible assets	4	0.03	0.05
(d) Financial assets			
(i) Loans	6	0.33	0.31
Sub-total of Non-current assets		**102.53**	**71.72**
2. Current assets			
(a) Inventories	7	0.04	-
(b) Financial assets			
(i) Trade receivables	8	30.94	11.90
(ii) Cash and bank balances	9	1.01	0.26
(iii) Loans	10	0.20	3.91
(c) Other current assets	11	15.71	11.84
Sub-total of Current assets		**47.89**	**27.92**
Total assets		**150.42**	**99.64**
B. Equity and liabilities			
Equity			
(a) Equity share capital	12	0.10	0.10
(b) Other equity	13	1.04	2.45
Sub-total - Equity		**1.14**	**2.55**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	14	20.37	21.11
(b) Provisions	15	0.04	0.04
(c) Deferred tax liability (net)	16	1.44	0.95
(d) Other non-current liabilities	17	0.41	-
Sub-total - Non-current liabilities		**22.26**	**22.09**
2. Current liabilities			
(a) Financial liabilities			
(i) Trade payables	18	98.35	55.03
(b) Other current liabilities	19	27.98	19.28
(c) Provisions	20	0.69	0.69
Sub-total of current liabilities		**127.02**	**75.00**
Total equity and liabilities		**150.42**	**99.64**
Summary of significant accounting policies	1 & 2	**(0.00)**	-
The accompanying notes are an integral part of these financial statements.		(0.00)	-

This is the balance sheet referred to in our report of even date.

For and on behalf of the Board of Directors of
Siti Godaari Digital Services Private Limited

Director
DIN:

Director
DIN

Dated:
Place: New Delhi

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)
Statement of Profit and Loss for the year ended March 31, 2017

	Notes	March 31, 2017 ` millions	March 31, 2016 ` millions
Revenue			
Revenue from operations	21	28.35	45.41
Other income	22	0.00	-
Total revenue		**28.36**	**45.41**
Expenses			
Cost of materials consumed		-	-
Purchases of traded goods		-	-
Carriage sharing, pay channel and related costs		2.86	2.96
Employee benefits expense	23	2.57	1.71
Finance costs	24	0.01	0.00
Depreciation and amortisation expenses	25	11.87	2.45
Other expenses	26	11.96	34.74
Total expenses		**29.27**	**41.86**
Loss before prior period expenses		**(0.91)**	**3.55**
Prior period expenses		-	-
Loss before tax		**(0.91)**	**3.55**
Tax expense:			
(1) Current tax		-	0.69
(2) Mat Credit Entitlement		-	(0.53)
(3) Deferred tax		0.50	0.95
(Profit)/Loss for the period		**(1.41)**	**2.45**
Loss per share after tax	27		
Basic		(141.24)	281.96
Diluted		(141.24)	281.96
Summary of significant accounting policies	1 & 2		

The accompanying notes are an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date

For and on behalf of the Board of Directors of
Siti Godaari Digital Services Private Limited

Director **Director**
DIN: **DIN**

Dated:
Place: New Delhi

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)

CASH FLOW STATEMENT 2016-2017

	PARTICULARS	Year ended March 31 ,2017	Year ended March 31 ,2016
		Amount in Rs.	Amount in Rs.
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Income / (Loss) before Tax	(0.91)	3.55
	Adjustments for :		
	Depreciation	11.87	2.45
	Loss(profit) on sale /disposal of assets	-	-
	Provision for Doubtful Debts	-	(1.10)
	Interest Expense	-	
	Income Tax paid	-	
	Provision for Taxation including Deferred Tax	-	
	Prior period Adjustment	-	
	comprehensive income recognised directly in retained earnings	-	-
	Operating Profit before working capital changes	**10.96**	**4.90**
	(Increase) in Trade Receivables	(19.03)	(11.90)
	Decrease(Increase) in Long Terms L&A and Other non current assets	(0.01)	(0.31)
	Decrease(Increase) in Short Terms L&A and Other current assets	(0.20)	(15.75)
	Increase(Decrease) in Long Terms liabilities and provisions	0.41	0.04
	Current Liabilities and Provisions	52.03	75.94
	Net Cash Flow from Operating Activities	**44.15**	**52.92**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	(42.67)	(73.86)
	Capital Work in progress		
	sale of Fixed Assets		
	Net Cash utilised in Investing Activities	**(42.67)**	**(74)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Interest paid (Net)		-
	Proceeds from Long Term borrowings	(0.74)	21.11
	Procceds from Share Application Money		-
	Proceeds from Issue of Share Capital		0.10
	Net Cash provided by Financing Activities	**(0.74)**	**21**
	Net Increase in cash and cash equivalents during the year	0.74	0.26
	cash and cash equivalents at beginning of year	0.26	-
	Cash and Cash Equivalents at end of the Year	**1.01**	**0.26**
	Note :		
1	Component of Cash & cash Equivalents at the end of year		
	Cash in hand	0.82	0.11
	Cheques in hand	-	-
	Balances with Scheduled Banks in Current Accounts	0.18	0.16
	FDR's with Bank	-	-
		1	0

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)

NOTES TO BALANCE SHEET AS ON MARCH 31, 2017

Note 3 : PROPERTY,PLANT & EQUIPMENT

	Plant and equipment	Computers	Office equipment	Furniture and fixtures	ectrical Equipm	asehold improveme	Set top boxes	Total
Year ended 31 March 2016								
Gross Carrying Amount								
Deemed cost as at April 2015								-
Additions	12.65	0.13	0.40	0.51	0.33	0.65	59.11	73.78
Disposals								-
Closing Gross Carrying Amount	**12.65**	**0.13**	**0.40**	**0.51**	**0.33**	**0.65**	**59.11**	73.78
Accumulated Depreciation								-
Depreciation charge during the year	0.20	0.01	0.02	0.01	0.01	0.02	2.18	2.45
Disposals								-
Closing Accumulated Depreciatio	**0.20**	**0.01**	**0.02**	**0.01**	**0.01**	**0.02**	**2.18**	2.45
Net Carrying Amount	**12.45**	**0.12**	**0.38**	**0.50**	**0.32**	**0.63**	**56.93**	71.33
Year ended 31 March 2017								
Gross Carrying Amount								
Opening Gross Carrying Amount	12.65	0.13	0.40	0.51	0.33	0.65	59.11	73.78
Additions		0.02	0.04	0.01	0.01	-	42.62	42.69
Disposals								-
Closing Gross Carrying Amount	**12.65**	**0.15**	**0.44**	**0.51**	**0.34**	**0.65**	**101.73**	116.48
Accumulated Depreciation and Impairment								
Opening Accumulated Depreciation	0.20	0.01	0.02	0.01	0.01	0.02	2.18	2.45
Depreciation change during the year	0.97	0.05	0.09	0.05	0.07	0.13	10.50	11.86
Disposals								-
Closing Accumulated Depreciation and Impairment	1.17	0.06	0.11	0.06	0.08	0.15	12.68	14.31
Net Carrying Amount	**11.48**	**0.09**	**0.33**	**0.45**	**0.26**	**0.50**	**89.05**	102.17

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)

NOTES TO BALANCE SHEET AS ON MARCH 31, 2017

Note 4 :INTANGIBLE ASSETS

	SOFTWARE
Year ended 31 March 2016	
Gross Carrying Amount	
Deemed cost as at April 2015	0.05
Additions	
Closing Gross Carrying Amount	0.05
Accumulated Depreciation	
Amortisation for the year	0.00
Closing Accumulated Amortisation	0.00
Closing Net Carrying Amount	0.05
Year ended 31 March 2017	
Gross Carrying Amount	
Opening Gross Carrying Amount	0.05
Additions from Internal Development	
Acquisition of Subsidiary	
Closing Gross Carrying Amount	0.05
Accumulated amortisation and impairment	
Opening Accumulated Amortisation	0.00
Amortisation charge for the year	0.02
Impairment charge	
Closing Accumulated Amortisation and Impairment	0.02
Closing Net Carrying Amount	0.03

6	Loans	March 31, 2017 ` millions	March 31, 2016 ` millions
	Security deposits		
	Unsecured, considered good	0.33	0.31
	Doubtful		-
		0.33	0.31
	Less: Provision for doubtful security deposits	-	-
		0.33	**0.31**

7	Inventories (Valued at lower of cost or net realisable value)	March 31, 2017 ` millions	March 31, 2016 ` millions
	Stores and spares	0.04	-
		0.04	**-**

8	Trade receivables	March 31, 2017 ` millions	March 31, 2016 ` millions
	Unsecured, considered good	30.94	11.90
	Unsecured, considered doubtful	-	-
		30.94	11.90
	Less: Provision for doubtful debts	-	-
		30.94	11.90
	Other receivables		
	Unsecured, considered good		-
		30.94	**11.90**

9	Cash and bank balances	Current March 31, 2017 ` millions	Current March 31, 2016 ` millions
	Cash and cash equivalents		
	Cash on hand	0.82	0.11
	Cheques on hand	-	-
	Balances with banks		
	On current accounts	0.18	0.16
	In deposit account (with maturity upto three months)		-
		1.01	**0.26**

10	Loans and advances	Short-term March 31, 2017 ` millions	Short-term March 31, 2016 ` millions
	Unsecured, considered good		
	Other advances	0.20	3.91
		0.20	3.91

11 **Other loans and advances (Unsecured, considered good)**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Balances with statutory authorities	15.71	11.84
	15.71	**11.84**

12 **Share capital**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Authorised share capital		
10,000 (Previous year: 10,000) equity shares of ` 10 each	0.10	0.10
Total authorised capital	**0.10**	**0.10**
Issued share capital		
10,000 (Previous year: 10,000) equity shares of ` 10 each	0.10	0.10
Total issued capital	**0.10**	**0.10**
Subscribed and fully paid up capital		
10,000 (Previous year: 10,000) equity shares of ` 10 each	0.10	0.10
Total paid up capital	**0.10**	**0.10**
	0.10	**0.10**

13 **Other Equity**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Deficit in the Statement of profit and loss		
Balance at the beginning of the year	2.45	-
Add: Loss for the year	(1.41)	2.45
Balance at the end of the year	**1.04**	**2.45**

14 **Long-term borrowings**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Unsecured loan	20.37	21.11
	20.37	**21.11**

15 **Provisions**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Provision for employee benefits		
Provision for gratuity	0.01	0.01
Provision for compensated absences	0.02	0.02
	0.04	**0.04**

16 **Deferred tax liability (net)**

	March 31, 2017 ` millions	March 31, 2016 ` millions
	1.44	0.95
	1.44	**0.95**

17 **Other Non Current liabilities**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Deferred Activation Income	0.41	-
	0.41	**-**

18 Trade payables

	March 31, 2017 ` millions	March 31, 2016 ` millions
- Total outstanding dues of creditors other than micro enterprises and small enterprises	98.35	55.03
	98.35	**55.03**

19 Other Current Liabilities

	March 31, 2017 ` millions	March 31, 2016 ` millions
Others	10.81	9.37
Deferred Activation Income	0.15	-
Payable for statutory liabilities	17.02	9.92
	27.98	**19.28**

20 Provisions

	March 31, 2017 ` millions	March 31, 2016 ` millions
Provision for Taxation	0.69	0.69
	0.69	**0.69**

21 Revenue from operations	March 31, 2017 ` millions	March 31, 2016 ` millions
Sale of services		
Subscription income	27.21	45.41
Activation and Set top boxes pairing charges	1.14	-
	28.35	**45.41**

22 Other income	March 31, 2017 ` millions	March 31, 2016 ` millions
Other Income	0.00	-
	0.00	**-**

23 Employee benefits expense	March 31, 2017 ` millions	March 31, 2016 ` millions
Salaries, allowances and bonus	2.48	1.44
Contributions to provident and other funds	-	0.04
Employee benefits expenses	-	
Staff welfare expenses	0.09	0.23
	2.57	**1.71**

24 Finance costs	March 31, 2017 ` millions	March 31, 2016 ` millions
Bank charges	0.01	0.00
	0.01	**0.00**

25 Depreciation and amortisation expenses	March 31, 2017 ` millions	March 31, 2016 ` millions
Depreciation of tangible assets	11.86	2.45
Amortisation of intangible assets	0.02	0.00
	11.87	**2.45**

26 Other expenses

	March 31, 2017 ` millions	March 31, 2016 ` millions
Rent	1.03	0.42
Rates and taxes	0.02	0.29
Communication expenses	0.01	0.01
Repairs and maintenance		
- Network	-	1.22
- Building	-	0.22
- Others	0.09	0.00
Electricity and water charges	0.36	0.08
Legal, professional and consultancy charges	0.07	0.04
Printing and stationery	0.04	0.05
Service charges	0.27	0.08
Travelling and conveyance expenses	0.17	0.56
Auditors' remuneration*	-	0.04
Vehicle expenses	0.00	0.02
Advertisement and publicity expenses	0.07	-
Other operational cost	9.55	31.37
Business and sales promotion	0.00	0.31
Miscellaneous expenses	0.28	0.03
	11.96	**34.74**

27 Earnings per share

	March 31, 2017 ` millions	March 31, 2016 ` millions
Loss attributable to equity shareholders	(1.41)	2.45
Number of weighted average equity shares		
Basic	10,000	8,685
Diluted	10,000	8,685
Nominal value of per equity share (`)	10	10
Loss per share fter tax (`)		
Basic	(141.24)	281.96
Diluted	(141.24)	281.96

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network I

Note: 1 Company Overview and Significant Accounting Policies

1.1 Company Overview

a. SITI Godaari Digital Services Private Limited.(hereinafter referred to as the 'Company') was incorporated in India. The Company is engaged in distribution of television channels through analogue and digital cable distribution network and allied services.

b. **Basis of preparation**

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values as per the provisions of the Companies Act , 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period as at and for the year ended 31 March 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS.

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.

1.2 Summary of Accounting Policies

a. Use of estimate

The preparation of Company's standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

b. Foreign Currency Translation

Functional and presentation currency

The standalone financial statements are presented in currency INR, which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

c. Revenue recognition

i.) Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured.

ii.) Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

Revenue from rendering of Services

Subscription income is recognised on completion of services and when no significant uncertainty exists regarding the amount of consideration that will be derived.

Other networking and management income and carriage income are recognised on accrual basis over the terms of related agreements and when no significant uncertainty exists regarding the amount of consideration that will be derived. Carriage revenue recognition is done basis negotiations/formal agreement with broadcasters.

Advertisement income is recognised when the related advertisement gets telecasted and when no significant uncertainty exists regarding the amount of consideration that will be derived. Other advertisement revenue for slot sale is recognised on period basis.

Activation and set top boxes pairing charges are recognised as revenue to the extent it relates to pairing and transfer of the related boxes and when no significant uncertainty exists regarding the amount of consideration that will be derived and the upfront obligation is discharged. Where part of the revenues collected at the time of activation relates to future services to be provided by the Company, a part of activation revenye is deferred and recognized over the associated service contract period or customer life

d. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

e. Property, Plant and Equipment

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price (net of CENVAT Credit availed), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Set top boxes are treated as part of capital work in progress till at the end of the month of activation thereof.

f. Subsequent measurement (depreciation and useful lives)

i.) Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013.

Type of assets	Useful Life (Years)
Computer	3.00
Office Equipments	5.00
Electrical Equipments	5.00
Studio Equipments	13.00

Furniture & Fixtures	10.00
Set Top Boxes	8.00
Vehicles	8 to 10

ii.) Leasehold Improvements is amortised over the effective period of lease.
iii.) The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition
An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

g. Intangible Assets
Intangible assets acquired separately are stated at their cost of acquisition.

Subsequent measurement (Amortisation)
Cost of Intangible Assets are amortised under straight line method over the period of life.

h. Impairment of non-financial Assets
The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the Statement of Comprehensive Income.

i. Investments and Other Financial Assets
Financial assets
Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

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 realize the assets and settle the liabilities simultaneously.

All other debt instruments are measured are Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for Financial Assets.

j. Post-employment, long term and short term employee benefits

Defined contribution plans

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Gratuity (Funded)

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of other comprehensive income in the year in which such gains or losses are determined.

Other Employee Benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the pr date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

k. Taxation on Income

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are generally recognised in full, although IAS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Company does not recognise deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

l. Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are disclosed when probable and recognised when realization of income is virtually certain.

m. Earning Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Leases

Finance leases

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

Operating leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed as incurred.

Significant management judgement in applying accounting policies and estimation uncertainty

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying Financial Statements are based upon management's evaluation of relevant facts and circumstances as of date of Financial Statements which in management's opinion are prudent and reasonable, actual results may differ from estimates andassumptions used in preparing accompanying Financial Statements. Any revision to accounting estimates is recognizedprospectively from the period in which results are known/ materialise in accordance with applicable Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Significant Management Judgements

The following are significant management judgements in applying the Accounting Policies of the Company that have the most significant effect on the Financial Statements.

Recognition of Deferred Tax Assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for Impairment of Assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Property, Plant and Equipment - Management assess the remaining useful lives and residual value of property, Plant and Equipment and believes that the assigned useful lives and residual value are reasonable

Estimation Uncertainty- Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

k. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' The amendments are applicable to the Company from 1 April

Amendment to Ind AS 7:

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide certain additional disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from financing cash flows and non-cash transactions. The amendment suggests entities to include a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirements. The Company is currently evaluating the requirements of the amendment and the effect of the disclosure on the financial statements is being evaluated.

1.2 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

1 Commitments

Future commitments towards capital contributions - NIL

2 Segment Reporting

Segment Reporting as required by Accounting Standard -17 issued by the Institute of Chartered Accountant of India is not applicable since the Company is in the business of providing Cable TV Services in one segment and there is no Geographical Segment.

f. Related Parties Disclosure:

List of Parties where control exists

i Ultimate Holding Company

Siti Networks Limited (Formerly known as Siti Cable Networks Limited)

ii Holding Company

Siti Networks Limited (Formerly known as Siti Cable Networks Limited)

iii Fellow Subsidiary Companies

Indinet Service Pvt. Ltd. (100% Subsidiary of ICNCL)
Siti Karnal Digital Media Network Pvt Ltd.
Siti Prime Uttaranchal Communication Pvt. Ltd.
Central Bombay Cable Network Limited.
Panchsheel Digital Communication Network Pvt. Ltd.
Master Channel Community Network Pvt Ltd
Siti Jai Maa Durge Communications Pvt. Ltd.
Siti Bhatia Network Entertainment Private Limited
Siti Krishna Digital Media Private Limited
Siti Jony Digital Cable Network Private Limited
Siti Guntur Digital Network Private Limited
Siti Maurya Cable Net Pvt. Ltd. (Subsidiary of ICNCL)
Siti Global Pvt Ltd.
Indian Cable Net Company Ltd.
Siti Jind Digital Network Pvt. Ltd.
Siti Vroadband Services Pvt. Ltd.
Sai Star Digital Media Pvt. Ltd.
Siti Vision Digital Media Pvt. Ltd.
Variety Entertainment Pvt. Ltd.
Siti Siri Digital Network Pvt. Ltd.
Siti Faction Digital Private Limited
Siticable Broadband South Ltd.
Wire & Wireless Tisai Satellite Ltd.

iv Key Managerial Personnel

Mr. Mendu Saieswara Swamy
Mr. Suresh Kumar
Mr. Divi Venkat Ramkumar
Mr. Sanjeev Tondon
Mr. Vinay Chandok

v Other Related Parties

M/s :Vaji Digital Network

Transactions with:

Holding Company- Siti Network Ltd.	**2017**	**2016**
Advance Received	-	-
Purchase- Set Top Boxes/ Material	17,513,808	74,780,578
Payment for exp. On behalf of SCNL	-	-
Expenses reiumbersed to SCNL	-	280,000
Operational Exp paid	15,140,485	30,108,435

Subsidiary Companies
Nil

With Key Managerial Personnel	**2017**	**2016**
Salary	-	-
Loan Received	1,023,500	21,110,000
Loan Repaid	2,250,000	-
Reimbursement of Expenses	84,508	3,582,729
Incentive on collection		-

With other related parties		
Operational Expenses	3,001,799	3,958,474
STB Activation revenue received	1,620,306	31,164,047
Reimbursement of Expenses	-	488,729

Outstanding as on 31.3.2017

Sundry Creditors		
Siti Networks Limited	84,680,237	52,876,843
M/s: Vaji Digital Network Cr	707,313	1,325,749

Incentive/Other Payable:

Amount Receivable from		
M/s: Vaji Digital Network	6,791,680	7,333,555
Amount Payable to		
Mr. MSE Swamy Loan - USL	15,233,500	16,460,000
Mr. MSE Swamy Cr	3,657,237	3,572,729
Mr. Venkata Ram Kumar Divi- USL	4,650,000	4,650,000

g. Disclosure for SBN (Specified Bank Notes)

Particulars	SBN	Other denomination	Total
Closing cash in hand as on November 8,2016	34,500	686,691	721,191
(+) Permitted receipts	0	224,800	224,800
(-) Permitted payments	0		0
(-) Amount deposited in Banks	34,500	88040	122,540
Closing cash in hand as on December 30, 2016	0	823,451	823,451

h. Pursuant to the Accounting Standard for ' Taxes on Income' (AS-22), deferred tax liability/assets at the balance sheet date is:

	2017	2016
Deferred tax liability on account of difference between book value of depreciable assets as per books of account and written down value as per Income Tax	1.45	0.95
Deferred tax assets on account of disallowance under section 43 B or allowed on payment basis.		
Net Deferred Tax Assets/(Liabilities)	(1.45)	(0.95)

i. Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors is responsible for overseeing the Company's risk assessment and management policies and processes

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

(i)Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. An impairment analysis is performed at each reporting date on an individual basis for major customers.

(ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's assessment of credit risk about particular financial institution. None of the Company's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at 31 March 2017.

b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Amounts in Rs

Particulars	Less than 1 year	1-5 year	Total
Borrowings			-
Trade payables	98		98

c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

d. 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. Long-term borrowings do not expose the company to risk of changes in interest rates as the Company had issued the same at 0%

j. In view of the nature of business, where the necessary documentry evidence does not support the payment made/expenses incurred, the same are accounted for on the basis of certification of the Management.

k. Figures for the previous year have been regrouped / rearranged / recast whenever necessary to confirm for comparison purpose.

l. Trade receivables, Trade payables, Current liabilities, Expenses Recoverable/payable & other loans & Advances are subject to confirmation and reconciliation from the parties.

m. Information required as per the Micro, Small and Medium Enterprises Development Act, 2006 small Scale Industries.

The Company has identified Micro, Small and Medium Enterprises on the basis of information available. As at March 31, 2017 there are no dues to Micro, Small and Medium Enterprises that are reportable under the MSMED Act, 2006.

n. In view of mandatory digital addressable system (DAS) regulation announced by the Ministry of Information and Broadcasting, Government of India, digitalisation of cable network has been implemented in the cities notified for phase 1 & 2. The company has activated Set top boxes in Vijayawara and adjoining region under Digital Addressable cable TV System (DAS) in accordance with TRAI mandate for phase 2 cities. Owing to the inital delays in implementation of DAS in Jind, Haryana region and chalanges faced by all the MSO's during transition from analog business to DAS, the company is in the process of executing contracts with the subscribers and implentation of revenue sharing contracts entered into with the local cable operators. Accordingly company has invoiced and recognised subscription revenue under the new DAS regime w.e.f 01.06.2016.

o. The company has calculated the benefits provided to employees as per accounting standards 15, are as under

Defined Benefit Plans

a.) Gratuity Plan

b.) Leave Encashment

In accordance with Accounting Standards 15 (Revised), the acturial valuation carried out in respect of the aforesaid defined benefit plans is based on the following assumption.

Acturial Assumption	**Leave Encashment**	**Employee Gratuity Fund**
Discount Rate (Per annum)		
Rate of Increase in compensation levels		
Expected Rate of return on plan assets		
Expected Average remaining working lives of employees (years)		
Change in obligation during the year ended 31st March, 2017		
Present Value of obligation as at 1st April, 2016		
Acquisition adjustment		
Interest cost		
Past service cost		
Current service cost		
Curtailment cost/(Credit)		
Settlement cost/(Credit)		
Benefits paid		
Actuarial (gain)/loss on obligation		
Present value of obligation as at the end of period (31st March, 2017)		
Change in fair value plan Assets	Nil	Nil
Movement in the liability recognized in the Balance Sheet		
Opening net liability (01.04.2016)	-	-
Expense as above	-	-
Benefits paid	-	-
Actual return on plan assets	-	-
Acquisition adjustment	-	-

Net assets/(Liability) recognised in Balance Sheet as provision (31.03.2017)	-	-

Expenses recognised in Profit and Loss Account

Current service cost	-	-
Past service cost	-	-
Interest cost	-	-
Expected return on plan assets	-	-
Curtailment cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	-	-
Expenses recognized in the statement of profit & losses	-	-

Acturial Assumption.

The discount rate is generally based upon the market yeilds available on Government Bonds and salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

o. Figures have been rounded off to the nearest rupee.

p. Note 1 to 23 form an integral part of the accounts and have been duly authenticated.

2.1 Fair value measurements

A. Financial instruments by category

	NOTES	March 31, 2017 ` millions	
		FVTPL	Amortised cost
Financial assets			
Bank deposits	6		0.33
Amounts recoverable	10		0.20
Interest accrued and not due on fixed deposits			
Security deposits			
Investment (Non- current, financial assets)			
Unbilled revenues			
Interest accrued on fixed deposits			
Trade receivables	8		30.94
Others			
Cash and cash equivalents	9		1.01
Total financial assets		-	32.47
Financial liabilities			
Borrowings (non-current,financial liabilities)	14		20.37
Borrowings (current,financial liabilities)			
Payables for purchase of property,plant and equipment			
Security deposits received from customer			
Trade payables	18		98.35
Total financial liabilities		-	118.72

	NOTES	March 31, 2016 ` millions	
		FVTPL	Amortised cost
Financial assets			
Bank deposits			
Amounts recoverable	10		3.91
Interest accrued and not due on fixed deposits			
Security deposits	6		0.31
Investment (Non- current, financial assets)			
Unbilled revenues			
Interest accrued on fixed deposits			
Trade receivables	8		11.90
Others			
Cash and cash equivalents	9		0.26
Total financial assets		-	16.39
Financial liabilities			
Borrowings (non-current,financial liabilities)	14		21.11
Trade payables	18		55.03
Total financial liabibities		-	76.14

	April 01, 2015 ` millons	
	FVTPL	Amortised Cost
Financial assets		
Bank deposits		
Amounts recoverable		
Interest accrued and not due on fixed deposits		
Security deposits		
Investment (Non- current, financial assets)		
Unbilled revenues		
Interest accrued on fixed deposits		
Trade receivables		
Others		
Cash and cash equivalents		
Total financial assets	-	-
Financial liabilities		
Borrowings (non-current,financial liabilities)		
Trade payables		
Total financial liabilities	-	-

B. Financial instruments measured at fair value

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).
The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.
The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on March 31, 2017, March 31, 2016 and April 01, 2015 as follows:

March 31, 2017	Date of Valuation	Level 1	Level 2	Level 3
Financial assets				
Mutual funds	At March 31, 2017	-	-	-
Invesment in optionally convertible debentures	At March 31, 2017	-	-	-

March 31, 2016	Date of Valuation	Level 1	Level 2	Level 3
Financial assets				
Mutual funds	At March 31, 2016	-	-	-
Invesment in optionally convertible debentures	At March 31, 2016	-	-	-

April 01, 2015	Date of Valuation	Level 1	Level 2	Level 3
Financial assets				
Mutual funds	At March 31, 2015	-	-	-

Valution technique to determine fair value

Optionally fully convertible debentures (Level 3)

The valuation of optionally fully convertible debentures has been done using the discounted cash flow method by discounting the investee Companies free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows are discounted by weighted average cost of capital comprising of debt and equity. The risk free rate of 7.14% is considered on the 10 year zero coupon government bond.

There have been no transfer between level 1 and level 2 during the year ended March 31, 2017, March 31, 2016 and April 01, 2015.

The following table presents the changes in level 3 items for the periods ended 31 March 2017 and 31 March 2016:

Particulars	Amount in millions
As at April 01, 2015	-
Acquired during the year	-
As at March 31, 2016	-
Additions during the year	-
Gains recognised in statement of profit and loss	
As at March 31, 2017	-

Significant unobservable input	Estimate of the input	Sensitivity of the fair value measurement to input

C. Fair value of financial assets and liabilities measured at amortised cost

` in million

	March 31, 2017		March 31, 2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	0.20	0.20	3.91	3.91
Others	-	-	-	-
Trade receivables	30.94	30.94	11.90	11.90
Cash and cash equivalents	1.01	1.01	0.26	0.26
Total financial assets	**32.47**	**32.47**	**16.39**	**16.39**
Financial liabilities				
Borrowings (non-current,financial liabilities)	20.37	20.37	21.11	21.11
Trade payables	98.35	98.35	55.03	55.03
Total financial liabilities	**118.71**	**118.71**	**76.14**	**76.14**

` in million

	April 01, 2015	
	Carrying Amount	Fair Value
Financial assets		
Loans	-	-
Others	-	-
Trade receivables	-	-
Cash and cash equivalents	-	-
Total financial assets	-	-
Financial liabilities		
Borrowings (non-current,financial liabilities)	-	-
Trade payables	-	-
Total financial liabilities	-	-

2.2 **First time adoption of Ind AS**

Transition to Ind AS

These are the Company's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS standalone balance sheet at April 01, 2015 (the date of transition). In preparing its opening Ind AS standalone balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Use of deemed cost for investments in subsidiaries, jointly controlled entities and associates

The balance of the investment in subsidiaries and joint controlled entities at the date of transition to Ind AS, determined in accordance with the previous GAAP as the deemed cost of the investment at initial recognition.

Exchange differences on long-term foreign currency monetary items

Under previous GAAP, the company applied paragraph 46A of AS 11 whereby exchange differences arising from translation of long-term foreign currency monetary items were capitalized/deferred. On transition to Ind AS first time adopter is permitted to continue policy adopted for accounting for such exchange differences recognised in the previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. The Company has opted for this exemption and continued its previous GAAP policy for accounting of exchange differences on long-term foreign currency monetary items recognized in the previous GAAP financial statements for the year ended March 31, 2016

Under previous GAAP foreign exchange gain/loss on long term foreign currency monetary items recognized upto March 31, 2016 has been deferred/capitalized. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets.

From accounting periods commencing on or after April 01, 2016, exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post April 01, 2016, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss

B: Ind AS mandatory exceptions

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

Investment in equity instruments carried at FVTPL or FVTOCI.

Impairment of financial assets based on expected credit loss model.

Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumsrances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when an entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

a) The effects of the retrospective application or retrospective restatement are not determinable;
b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;
The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

C: Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of previous GAAP and Ind AS impact for Balance Sheet (April 01, 2017)

` in million

	Note reference	Previous GAAP	IND AS Adjustments	Ind AS
ASSETS				
Non-current assets				
a)Property, Plant and Equipment		102.17		102.17
b)Capital work-in-progress				-
c)Intangibles assets		0.03		0.03
e)Financial Assets				-
i)Trade receivable				-
ii) Loans		0.33		0.33
iii) Others				-
		102.53	**-**	**102.53**
Current assets				
a)Inventories		0.04		
b)Financial Assets				
i)Trade receivable		30.94		30.94
ii)Cash and cash equivalents		1.01		1.01
iii)Loans		0.20		0.20
iv)Others				-
c)Other current assets		15.71		15.71
		47.89	-	**47.85**
		150.42	-	**150.38**

` in million

EQUITY AND LIABILITIES	Previous GAAP	Adjustments	Ind AS
Equity			
a)Equity Share Capital	0.10		0.10
b)Other Equity	1.59	(0.56)	1.04
	1.69	**(0.56)**	**1.14**

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

LIABILITIES			
Non-current liabilities			-
a)Financial liabilities			-
i)Borrowings	20.37		20.37
b)Deferred tax liability (net)	1.44		1.44
c) Provisions	0.04		0.04
d) Other non-current liabilities	0.41	0.41	-
	22.26	0.41	21.85
Current liabilities			
a)Financial liabilities			
i)Borrowings			-
ii)Trade payables	98.35		98.35
iii)Other financial liabilities			-
b)Provisions	0.69		0.69
c)Other current liabilities	27.98	0.15	27.84
Total current liabilities	127.02	0.15	126.87
	149.29	0.56	148.73
Total equity and liabilities	150.98	-	149.87

Reconciliation of previous GAAP and IndAS impact for Balance Sheet (March 31, 2016)

` in million

	Previous GAAP	Adjustments	Ind AS
ASSETS			
Non-current assets			
a)Property, Plant and Equipment	71.33		71.33
b)Capital work-in-progress	0.03		0.03
c)Intangibles assets	0.05		0.05
d)Intangibles assets under Development			-
d)Financial Assets			-
i)Trade receivable			-
ii) Loans	0.31		0.31
iii) Others			-
e)Deferred Tax asset (net)			-
e)Other non current assets			-
	71.72	-	71.72
Current assets			
a)Inventories			-
b)Financial Assets			
i)Trade receivable	11.90		11.90
ii)Cash and cash equivalents	0.26		0.26
iii)Loans	3.91		3.91
iv)Others			-
c)Other current assets	11.84		11.84
	27.92	-	27.92
	99.64	-	99.64

	Previous GAAP	Adjustments	Ind AS
EQUITY AND LIABILITIES			
Equity			-
a)Equity Share Capital	0.10		0.10
b)Other Equity	2.45		2.45
	2.55	-	2.55
LIABILITIES			
Non-current liabilities			-
a)Financial Liabilities			-
i)Borrowings	21.11		21.11
b)Deferred tax liability (net)	0.95		0.95
c) Provisions	0.04		0.04
d) Other non-current liabilities	-		-
	22.09	-	22.09
Current liabilities			
a)Financial Liabilities			-
i)Borrowings			-
ii)Trade payables	55.03		55.03
iii)Other Financial Liabilities			-
b)Provisions	0.69		0.69
c)Other current liabilities	19.28	3.32	22.60
Total current liabilities	75.00	3.32	78.32
	97.09	3.32	100.41
Total equity and liabilities	99.64	3.32	102.96

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Reconciliation of total comprehensive income for the year ended March 31, 2016.

` in million

	Previous GAAP	Adjustments	Ind AS
Income			
Revenues from operations	45.41	-	45.41
Other income	-		-
Total Income	45.41	-	45.41
Expenses			
Purchase of traded goods			-
Carriage sharing, pay channel and related costs	2.96		2.96
Employee benefits expense	1.71		1.71
Finance costs	0.00		0.00
Depreciation and amortisation of non-financial assets	2.45		2.45
Other expenses	34.74		34.74
Total Expenses	41.86	-	41.86
Profit before exceptional item and tax	3.55	-	3.55
Prior period items			-
Profit/(Loss) before tax	3.55	-	3.55
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement of defined benefit liability			
Total comprehensive income	3.55	-	3.55

Reconciliation of total equity as at March 31, 2016 and April 01, 2015

` in million

	Notes to first time adoption	March 31, 2016	April 01, 2015
Total equity (shareholder's funds) as per previous GAAP		2.55	-
Adjustments:			
Optionally fully convertible debentures classified to equity			
Redeemable preference shares transferred to liability			
Effect of recognising interest expense on long-term borrowings and advances as per effective interest method			
Effect of provision for expected credit loss			
Measurement of financial assets at fair value through profit and loss			
Effect of recognition of activation and set top boxes pairing charges		-	-
Effects of prior period items			
Other			
Total adjustments		-	-
Total equity as per Ind AS		2.55	-

Reconciliation of total comprehensive income for the year ended 31 March 2016

` in million

	Notes to first time adoption	31 March 2016
Net loss after tax as reported under previous GAAP for March 31, 2016		2.55
Effect of recognising interest expense on long term borrowings and advances as per effective interest method		
Measurement of financial assets and financial liabilities at amortise cost		
Effect of provision for expected credit loss		
Measurement of financial asset at fair value through profit and loss		
Effect of recognition of activation and set top boxes pairing charges		
Remeasurement of employee benefit obligation to other comprehensive income		-
Effects of prior period items		
Other		
Net loss after tax as reported under Ind AS for March 31, 2016		2.55
Other comprehensive income after tax		
Total comprehensive income		2.55

Note 1: Interest Free Advances and Security Deposits

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits and advances under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised according to the nature of the respective deposit or advance.

Note 2(a): Trade Receivables

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. IND-AS 109 requires entities to recognise loss allowances on at an amount equal to the lifetime expected credit loss or the 12 month expected credit loss based on the increase in the credit risk of the borrower. Lifetime expected credit losses are required to be estimated based on the present value of all expected cash shortfalls over the remaining life of the financial instrument. Lifetime expected credit losses are an expected present value measure of losses that arise if a borrower defaults on their obligation throughout the life of the financial instrument. They are the weighted average credit losses with the probability of default as the weight.

Note 2(b): Trade Receivables

In the financial year 2015-16, the Company has sold certain number of set-top boxes on deferred credit terms. The revenue is recognised on the basis of the fair value of the transaction entered.

Note 3: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value through profit and loss where fair value gains or losses are

Note 4: Borrowings and advances

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Further, long term advances are initially recognised at fair value by applying the effective interest method. Under previous GAAP, these transaction cost on long term borrowings were amortised over the term of the borrowings.

Note 5: Deferred Revenue

Under the previous GAAP, upfront amount charged as activation was being taken to Revenue. Under IND AS, company has deferred the activation income over the customer relationship period of 4 years and carried the deferred portion on the transition date under deferred revenue.

Note 6: Convertible Instruments

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Under IND AS 109, a financial instrument should be classified by the issuer upon initial recognition as a financial liability or an equity instrument accroding to the substance of the contractual arrangement rather than its actual form and the definations of financial liability and an equity instrument. Accordingly the company has classified optinally convertible debentures and redeemable preference shares from liability to equity

Note 7: Deferred tax

Retained earnings has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable

Note 8: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the loss for the year ended March 31, 2016 increased by ` 0.30 million. There is no impact on the total equity as at March 31, 2016.

Note 9: Retained Earnings

Retained earnings as at April 01, 2015 has been adjusted consequent to the above Ind AS transition adjustments

Note 10: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVOCI equity instruments. Comprehensive income related recognition, measurement and disclosures did not exist under previous GAAP.

2.3 Financial risk management objectives and policies

Financial risk management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk.

The Company's risk management is coordinated in close co-operation with the board of directors, and focuses on securing Company's short to medium term cash flows.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in these standalone financial statements.

A. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of

A: Low credit risk on financial reporting date

B: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Investment, Cash and cash equivalents, trade receivable and	12 month expected credit loss
High credit risk	Trade receivables, security deposits and amount recoverable	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

` in million

Credit rating	Particulars	March 31, 2017	March 31, 2016	April 01, 2015
A: Low credit risk	Investment, Cash and cash equivalents and other financial assets except security deposits and amount recoverable	32.47	16.39	-
B: High credit risk	Trade receivables, security deposits and amount recoverable	31.14	16.12	-

Concentration of trade receivables

The Company has widespread customers and there is no concentration of trade receivables.

Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets

For the purpose of computation of expected credit loss, the Company has analysed the trend of provisions for doubtful debts created in earlier years. The average rate of provision has been computed based on the adjusted sales (excluding those where the Company does not have any historical provision) and provision for doubtful debtors created against those sales. Further, the Company has analysed expected credit loss seperately for carriage revenue customer and other than carriage revenue customer primarily because the characterstics and historical losses trend was different in these two streams. As per this methodology, the Company has determined the expected credit loss as 15.5% for customers other than carriage and 5.5% for carriage customers.

Expected credit loss for trade receivables under simplified approach

as at March 31, 2017

` in million

Ageing	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	30.94	-	30.94
Security deposits	-	-	-
Advances recoverable	0.20	-	0.20

as at March 31, 2016

` in million

Ageing	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	11.90		11.90
Security deposits	0.31		0.31
Advances recoverable	3.91		3.91

as at April 01, 2015

` in million

Ageing	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	-		-
Security deposits			-
Advances recoverable			-

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

Reconciliation of loss allowance provision – Trade receivable, security deposit and accounts receivable

Loss allowance on April 01, 2015	-
Changes in loss allowance	-
Loss allowance on March 31, 2016	-
Changes in loss allowance	-
Loss allowance on March 31, 2017	-

B.Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each balance sheet date. Long- term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through funding commitments from shareholders. As at each statement of financial position date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarised as follows:

` in million

Contractual maturities of financial liabilities	Less than one year	One to two years	More than two years
March 31, 2017			
Non-derivatives			
Borrowings (non-current,financial liabilities)			
Borrowings (current,financial liabilities)			
Other financial liabilities			
Trade payables	98.35		
Total non-derivative liabilties	98.35	-	-
March 31, 2016			
Non-derivatives			
Borrowings (non-current,financial liabilities)			
Borrowings (current,financial liabilities)			
Other financial liabilities			
Trade payables	55.03		-
Total non-derivative liabilities	55.03	-	-
April 01, 2015			
Non-derivatives			
Borrowings (non-current,financial liabilities)			
Borrowings (current,financial liabilities)			
Other financial liabilities			
Trade payables		-	
Total non-derivative liabilties	-	-	-

C.Market Risk

The Company has foreign currency borrowings in the form of buyers credit and is exposed to change in the exchange rates. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (`). The risk is measured through a forecast of highly probable foreign currency cash flows.

(i) Foreign currency risk

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

` in million

	March 31, 2017	March 31, 2016	April 01, 2015
Financial assets (A)	-	-	-
Trade receivables	-	-	-
Financial liabilities (B)	-	-	-
Buyer's credit	-	-	-
Payable to vendors for property, plant and equipment	-	-	-
Trade payables	-	-	-
Net exposure (B-A)	-	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on loss after tax	
	March 31, 2017	March 31, 2016
(`) / USD increased by 5% (previous year 5%)	-	-
(`) / USD decreased by 5% (previous year 5%)	-	-

(ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Comapny to cash flow interest rate risk. The Comapny's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates

(a) Interest rate risk exposure

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates.

` in million

	March 31, 2017	March 31, 2016	April 01, 2015
Variable rate borrowings	-	-	-
Fixed rate borrowings	-	-	-
Total borrowings	-	-	-

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on loss after tax	
	March 31, 2017	March 31, 2016
Interest rates – increase by 100 basis points (31 March 2016 150 bps) *	-	-
Interest rates – decrease by 100 basis points (31 March 2016 150bps) *	-	-

Siti Godaari Digital Services Private Limited (formerly known as Bargachh Digital Communication Network Pvt Ltd)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

2.4 **Capital management**

Risk Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt). The Company is not subject to any externally imposed capital requirements. Net debt are non-current and current borrowings as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

` in million

Particular	March 31, 2017	March 31, 2016	April 01, 2015
Cash and cash equivalents (refer note 11)	1.01	0.26	-
Current investments (refer note 12)			
Margin money (refer note 7)			
Total cash (A)	**1.01**	**0.25**	-
Borrowings (non-current, financial liabilities) (refer note 16)	20.37	21.11	-
Borrowings (current, financial liabilities) (refer note 20)			
Current maturities of long-term borrowings (refer note 22)			
Current maturities of finance lease obligations (refer note 22)			
Total borrowing (B)	**20.36**	**21.11**	-
Net debt (C=B-A)	**19.35**	**20.85**	-
Total equity	1.14	2.55	-
Total capital (equity + net debts) (D)	**20.50**	**23.40**	-
Gearing ratio (C/D)	**0.94**	**0.89**	**#DIV/0!**

2.5 **Tax Expense**

The major components of income tax for the year are as under:

` in million

	March 31, 2017	April 01, 2016
Income tax related to items recognised directly in the statement of profit and		
Current tax - current year	-	0.15
Deferred tax charge / (benefit)	0.5	0.9
Total	**0.5**	**1.1**
Effective tax rate	-54.7%	31.0%
A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income		
Loss before tax	-0.9	3.5
Effective tax rate	30.9%	30.9%
Tax at statutory income tax rate	0	1.1
Tax effect on non-deductible expenses		
Additional allowances for tax purposes		
Effect of tax on group companies incurring losses		
Effect of tax rate difference of subsidiaries		
Other permanent difference	0.5	0.0
Tax expense recognised in the statement of profit and loss	**0.5**	**1.1**
	-	-
	0.50	1.10

2.6 Figures for the previous year have been regrouped / rearranged / recast whenever necessary to confirm for comparison purpose

For and on behalf of the Board of Directors of
Siti Godaari Digital Services Private Limited

Director	Director
DIN:	DIN: