Subhash C. Gupta & Co.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD.

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD.** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. 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 to give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls. that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

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5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, 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 including the Ind AS, of the financial position of the company as at 31st March 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. 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, the Statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

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(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B.**

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, if any, of pending litigations as at 31^{st} March 2018 on its financial position in its standalone financial statements – Refer Note no. 1.2. c – of the notes to the financial statements;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Subhash C. Gupta & Co.
Chartered Accountants
Firm's Registration No.: 004103N

Lokesh Gupta
(Partner)
Membership No.: 503853

Place : New Delhi
Date : 14/05/2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD. on the standalone financial statements for the year ended 31st March 2018.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except for Set Top Boxes capitalized/installed at customer premises.*

(b) According to the information and explanations given to us the fixed assets *(other than Set top boxes installed at customer premises and those in transit or lying with the distributors/cable operators and distribution equipment comprising overhead and underground cables physical verification of which is infeasible owing to the nature and location of these assets)* have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.

(c) Since the company does not own any immovable properties the provisions of the said clause of the Order are not applicable.

(ii) The company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act.

(iv) The Company has not granted any loans, made any investments nor provided any guarantee or security during the year accordingly the provisions of the said clause of the Order are not applicable.

(v) To the best of our knowledge & according to the information and explanations given to us the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of

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Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a)To the best of our knowledge and according to the information and explanations given to us the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, GST, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute except for:-

Name of Statute	**Nature of Dues**	**Amount Involved Rs.**	**Forum/ period where the dispute is pending**
Haryana Value Added Tax Act, 2003	VAT	42,31,394/-	Appeal pending in VAT department, Haryana

(viii) The Company has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The company has not raised any funds during the year from initial public offer or further public offer or by way of term loans. Accordingly, the provisions of said clause of the Order are not applicable.

(x) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statement and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) Managerial remuneration has been paid or provided by the company during the year in accordance with the requisite approvals mandate by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

(xii) Since the company is not a Nidhi company the provisions of clause 3(xii) of the order are not applicable.

(xiii) As per the information and explanation provided to us, all the transactions with the related parties are in compliance with section 177 and 188 of Companies

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Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The company has not made any preferential allotment/private placement of shares or convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable.

(xv) According to the information and explanation provided to us the company has not entered into any non-cash transactions with directors or persons connected with him during the year accordingly the provisions of clause 3(xv) of the order are not applicable.

(xvi) In our opinion and according to the information and explanation provided to us the company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.

For Subhash C. Gupta & Co.
Chartered Accountants
Firm's Registration No.: 004103N

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

Lokesh Gupta
(Partner)
Membership No.: 503853

Place : New Delhi
Date : 14/05/2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD. on the standalone financial statements for the year ended 31st March 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD. ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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 Subhash C. Gupta & Co.
Chartered Accountants
Firm's Registration No.: 004103N

SUBHASH C. GUPTA & CO. ★ NEW DELHI Chartered Accountants

Lokesh Gupta
(Partner)
Membership No.: 503853

Place : New Delhi
Date : 14/05/2018

SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD.

Note: 1 Company Overview and Significant Accounting Policies

1.1 Company Overview

a. Siti Jind Digital Media Communication Pvt. Ltd.(hereinafter referred to as the 'Company' or 'SJDMC') was incorporated in the state of Delhi, India. The Company is engaged in distribution of television channels through analogue and digital cable distribution network and allied services.

b. Accounting Convention

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 2018, together with the comparative period as at and for the year ended 31 March 2017.
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 financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities . Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

b. Critical accounting estimates

(i) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of the contingent liabilities.

(ii) Useful lives and residual values

The Company reviews the useful lives and residual values of property, plant and equipment, and intangible assets at each financial year end.

(iii) Fair value measurement

A number of company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly(i.e. prices) or indirectly (i.e. derived from prices).

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The company recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

d. 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.

e. 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	(Years)
Plant & Machinary	8.00
Set Top Boxes	8.00

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.

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.

Siti Jind Digital Media Communications Pvt. Ltd.

Director

For Siti Jind Digital Media Communications Pvt. Ltd.

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f. 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.

g. 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 revenue is deferred and recognized over the associated service contract period or customer life.

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.

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.

h. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date. Impairment of Assets is recognised when there is an indication of Impairment and on such indication the recoverable amount of the assets is estimated and if such estimation is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

i. 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.

j. 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.

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Siti Jind Digital Media Communications Pvt. Ltd.
Director

For Siti Jind Digital Media Communications Pvt. Ltd.
Director / Authorised Signatory

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 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. **Ind AS 115- Revenue from Contract with Customers:** On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors;
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

1.2 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

a. **Earning per share:**

	31.03.2018	31.03.2017
a) Profit/(Loss) after Tax	(1,076,050)	(1,465,821)
b) Weighted average No. of Ordinary Shares		
Basic	200,000	200,000
Diluted	200,000	200,000
c) Nominal Value of Ordinary Share	10	10
d) Earning per Ordinary share considering:		
Basic	(5.38)	(7.33)
Diluted	(5.38)	(7.33)

b. **Auditor's Remuneration (Including Legal & professional Charges)**

Particulars	**2017-18**	**2016-17**
Audit fees Rs.	76,000	45,000
Tax Audit Fees		
Other Matter	12,500	12,023
(Amount are exclusive of Service Tax)		

c. **Additional information**

Contingent Liabilities not provided for on account of:

VAT department	4,231,394	4,231,394
Director Remuneration	-	-
Earning in Foreign Currency	-	-
Remittances in Foreign Currency	-	-
Expenditure in Foreign Currency	-	-
CIF Value of Import	-	-

d. **Commitments**
Future commitments towards capital contributions - NIL

e. **Segment Reporting**

The Company operates in single business segment of cable distribution in India only. Hence there are no separate reportable business or geographical segments as per Indian Accounting Standard (Ind AS-108) on Segment Reporting.

Siti Jind Digital Media Communications Pvt. Ltd.

Director

For Siti Jind Digital Media ...

Director / Authorised Signatory

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

f. Related Parties Disclosure:

List of Parties where control exists

i Holding Company

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

ii Fellow Subsidiary Companies

Siticable Broadband South Ltd.
Wire & Wireless Tisai Satellite Ltd.
Indian Cable Net Company Ltd.
Central Bombay Cable Network Limited.
Master Channel Community Network Pvt. Ltd.
Siti Vision Digital Media 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 Faction Digital Private Limited
SITI GLOBAL PVT. LTD.
SITI BROADBAND SERVICES PRIVATE LIMITED
SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED
PANCHSHEEL DIGITAL COMMUNICATION NETWORK PRIVATE LIMITED
SAI STAR DIGITAL MEDIA PRIVATE LIMITED
BARGACHH DIGITAL COMMUNICATION NETWORK PRIVATE LIMITED
VARIETY ENTERTAINMENT PRIVATE LIMITED
Siti Siri Digital Network Pvt. Ltd.
SITI MAURYA CABLE NET PRIVATE LIMITED (Subsidiary of ICNCL)
INDINET SERVICE PRIVATE LIMITED (100% Subsidiary of ICNCL)
SITI KARNAL DIGITAL MEDIA NETWORK PRIVATE LIMITED

iii Key Managerial Personnel

Mr. Ram Phool -Managing Director
Mr. Sanjay Arya
Mr. Dheeraj Gupta

iv Other Related Parties

M/s. Digital Advanced Transmission 9

Transactions with:

Holding Company- Siti Networks Ltd.	**2018**	**2017**
Payment on account of Content cost	34,413,320	28,139,715
Management Charges	20,000,000	9,045,000
Digital Headend feed charges	1,940,021	1,539,781
SMS Usage Charges	-	325,253
Purchase of STB	59,451,322	21,543,061
STB repair charges/operation expenses	181,228	139,251
Reimbursement of expenses	19,822	35,469
Advance Received	9193949	10,565,361
Advance Paid		-
With Key Managerial Personnel	**2018**	**2017**
Salary	-	-
Advance given/ recd	-	-
Advance received back	-	-
With other related parties		
Purchase of Assets	-	-
Carriage Income	-	-
Outstanding as on 31.3.2018		
Siti Networks Ltd.- Current Account (Cr)	135,785,596	89,366,078
Mr. Ram Phool (Cr.)	-	-

g.

Reconciliation of Tax Expense			
The major components of income tax for the year are as under:			**Rs. in million**
		March 31, 2018	**March 31, 2017**
Income tax related to items recognised directly in the statement of profit and loss			
Current tax - current year		-	-
Deferred tax charge / (benefit)		(2.97)	0.31
Total		**(2.97)**	**0.31**
Effective tax rate		-26.9%	-26.9%
A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the			
Loss before tax		(4.04)	(1.15)
Effective tax rate		27.55%	30.9%
Tax at statutory income tax rate		-	0
Tax effect on non-deductible expenses			
Additional allowances for tax purposes			
Other difference		(2.97)	0.31
Tax expense recognised in the statement of profit and loss		(2.97)	0.31

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

Siti Jind Digital Media Communications Pvt. Ltd.

Director

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

h. 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.

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 financial assets.

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	Provision for expected credit loss
Low credit risk	Investment, Cash and cash equivalents and other financial assets	12 month expected credit loss
High credit risk	Trade receivables, security deposits and amount recoverable	Based on estimates

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.

Rs. in million

Credit rating	Particulars	31-Mar-18	31-Mar-17
A: Low credit risk	Investment, Cash and cash equivalents and other financial assets except security deposits and amount recoverable	29.51	25.43
B: High credit risk	Trade receivables, security deposits and amount recoverable	21.32	29.63

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 expected credit losses for following financial assets based on certain estimates.

As at March 31, 2018

Rs. in million

Particular	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	26.62	-5.30	21.32
Security deposits	0.17		0.17
Advances recoverable	-		-

as at March 31, 2017

Rs. in million

Particular	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	30.09	-0.45	29.63
Security deposits	-	-	-
Advances recoverable	-	-	-

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

Loss allowance on March 31, 2017	**(0.45)**
Changes in loss allowance	(4.85)
Loss allowance on March 31, 2018	**(5.30)**

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

Siti Jind Digital Media Communications Pvt. Ltd.

Director

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

(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 2018.

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.

2018

Rs In Millions

Particulars	Less than 1 year	1-5 year	Total
Borrowings	0	0	0
Trade payables	142.50		142.50

2017

Rs in Millions

Particulars	Less than 1 year	1-5 year	Total
Borrowings	0	0	0
Trade payables	100.97	-	100.97

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.

i. 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.

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

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

l. 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.

m.

Particular	31-Mar-18	31-Mar-17
	Rs. in million	
Cash and cash equivalents (refer note 5)	4.31	7.97
Current investments	-	-
Margin money	-	-
Total cash (A)	4.31	7.97
Borrowings (non-current, financial liabilities)	-	-
Borrowings (current, financial liabilities)	-	-
Current maturities of long-term borrowings	-	-
Current maturities of finance lease obligations	-	-
Total borrowing (B)	-	-
Net debt (C=B-A)	-4.31	-7.97
Total equity		
Total capital (equity + net debts) (D)	-12.17	-14.76
Gearing ratio (C/D)	0.35	0.54

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

Siti Jind Digital Media Communications Pvt. Ltd.

Director

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

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 3 & 4. The company has activated Set top boxes in Jind region under Digital Addressable cable TV System (DAS) in accordance with TRAI mandate for phase 3 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 implementation of revenue sharing contracts entered into with the local cable operators. Accordingly company has invoiced and recognised subscription revenue on the basis of certain estimates under the new DAS regime for the year ended 31st March 2018 based on certain estimates derived from market trends and ongoing discussion with the LCOs.

o. The accumulated losses as on 31st March, 2018 have exceeded the paid up capital of the Company. In view of mandatory digitalisation and expansion in Jind Region which yield substantial subscription revenue, increase in efficiency and assurance to extend all support in foreseeable future from holders of majority of equity shares of the company, these financial statement are prepared on going concern basis.

p. Since there are no employees on the payroll of the company the company has not provided for long term and short term employee benefits as per Ind AS 19. Accordingly no provision has been made for gratuity and leave encashment during the year.

q. Note 1 to 21 form an integral part of the accounts and have been duly authenticated.

r. Fair value measurements

A. Financial instruments by category

	Rs. millions March 31, 2018 FVTPL	Amortised cost	Rs. millions March 31, 2017 FVTPL	Amortised cost
Financial assets				
Bank deposits	-	-		
Amount recoverable	-	-	-	1.87
Interest accrued and not due on fixed deposits	-	-	-	-
Security deposits	-	0.17	-	-
Unbilled revenues	-	0.54	-	-
Trade receivables	-	21.32	-	29.63
Investments (Current, financial assets)	-	-	-	-
Cash and cash equivalents	-	4.31	-	7.97
Total financial assets	-	26.33	-	39.48
Financial liabilities				
Borrowings (Non-current, financial liabilities)	-	-	-	-
Borrowings (Current, financial liabilities)	-	-	-	-
Payables for purchase of property, plant and equipment	-	-	-	-
Security deposits received from customer	-	-	-	-
Trade payables	-	142.50	-	100.97
Total financial liabilities	-	142.50	-	100.97

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

Rs. in million

	March 31, 2018 Carrying amount	Fair value	March 31, 2017 Carrying amount	Fair value
Financial assets				
Bank deposits	-	-	-	-
Amount recoverable	-	-	1.87	1.87
Interest accrued and not due on fixed deposits	-	-	-	-
Security deposits	0.17	0.17	-	-
Unbilled revenue	0.54	0.54	-	-
Trade receivables	21.32	21.32	29.63	29.63
Cash and cash equivalents	4.31	4.31	7.97	7.97
Total financial assets	26.33	26.33	39.48	39.48
Financial liabilities				
Borrowings (non-current, financial liabilities)	-	-	-	-
Borrowings (current, financial liabilities)	-	-	-	-
Payables for purchase of property, plant and equipment	-	-	-	-
Security deposits	-	-	-	-
Trade payables	142.50	142.50	100.97	100.97
Other financial liabilities (current)	-	-	-	-
Total financial liabilities	142.50	142.50	100.97	100.97

For Subhash C Gupta & Co.
Chartered Accountants
Firm Regn. No. 004103N

SUBHASH C GUPTA & CO. NEW DELHI Chartered Accountants

Lokesh Gupta
Partner
M. No. 503853

Siti Jind Digital Media Communications Pvt. Ltd.

Director **Director**

Director

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

Date:
Place: New Delhi

SITI JIND DIGITAL MEDIA COMMUNICATION PVT LTD
Balance sheet as at March 31, 2018

Rs. In Millions

	Note	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
a) Property, plant and equipment	2	101.20	56.69
b) Capital work-in-progress	2	7.22	3.56
c) Deffered Tax Assets	3	1.77	-
		110.19	**60.25**
Current assets			
b) Financial assets			
i) Trade receivables	4	21.32	29.63
ii) Cash and cash equivalents	5	4.31	7.97
iv) Others	6	0.71	1.87
c) Other current assets	7	24.50	15.58
		50.83	**55.06**
Total assets		**161.02**	**115.32**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	8	2.00	2.00
b) Other equity	9	(9.86)	(8.78)
		(7.86)	**(6.78)**
LIABILITIES			
Non-current liabilities			
b) Deffered Tax Liability	10	-	1.20
c) Other non-current liabilities	11	9.85	7.45
		9.85	**8.65**
Current liabilities			
a) Financial liabilities			
ii) Trade payables	12	142.50	100.97
b) Provisions	13	-	1.13
c) Other current liabilities	14	16.52	11.34
		159.03	**113.45**
Total equity and liabilities		**161.02**	**115.32**
		(0.00)	(0.00)

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

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

For Subhash C. Gupta & Co.
Chartered Accountants
Firm Regn NO. -004103N

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

Lokesh Gupta
Partner
M.No. 503853

Place : New Delhi
Date : 14.05.2018

For and on behalf of the Board of Directors of
SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD.

For Siti Jind Digital Media Communications Pvt. Ltd.

Director
DIN 03312309

Director
DIN

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

SITI JIND DIGITAL MEDIA COMMUNICATION PVT LTD
Statement of profit and loss for the year ended March 31, 2018

Rs. In Millions

	Note	March 31, 2018	March 31, 2017
Income			
Revenue from operations	15	77.23	49.85
Other income	16	0.02	0.31
Total income		**77.25**	**50.16**
Expenses			
Carriage sharing, pay channel and related costs		34.41	28.20
Employee benefits expense	17	0.24	-
Finance costs	18	0.19	0.75
Depreciation and amortisation of non-financial assets	19	13.94	7.19
Other expenses	20	32.52	15.17
Total expenses		**81.30**	**51.32**
Loss before exceptional item and tax		**(4.04)**	**(1.15)**
Exceptional item			-
Loss before tax		**(4.04)**	**(1.15)**
Tax expense			
Current tax			
Deffered Tax		-2.97	0.31
Loss for the year		**(1.08)**	**(1.47)**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement of defined benefit liability			
Total comprehensive income		**(1.08)**	**(1.47)**
Earnings (loss) per share			
Basic (loss) per share	21	(5.38)	(7.33)
Diluted (loss) per share	21	(5.38)	(7.33)

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

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

For Subhash C. Gupta & Co.
Chartered Accountants
Firm Regn NO. -004103N

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

Lokesh Gupta
Partner
M.No. 503853

Place : New Delhi
Date : 14.05.2018

For and on behalf of the Board of Directors
SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD.

Siti Jind Digital Media Communications Pvt. Ltd.

Director
DIN 03312309

Director
DIN

Director

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Rs. In Millions

PARTICULARS	31-Mar-18	31-Mar-17 AMOUNT IN (Rs.)
A. Cash Flow from Operating Activities		
Net Profit, before taxation, after exceptional items	(1.08)	(1.47)
Adjustments for :		
Depreciation	13.94	7.19
Preliminary/Pre-operative expeses written off/transferred		
Provision for doubtful debts	4.85	
Provision for taxation	(2.97)	0.31
Operating expenses before working capital changes	**14.74**	**6.04**
Adjustments for :		
Increase in Current assets /loans & advances/trade receivables+	(4.28)	(11.22)
Increase in trade and other payables	47.98	32.52
Provision For retirement benefits		
Increase in non current liabilities		0.57
Cash generated from operations	**58.44**	**27.92**
Taxes Paid/Refund		
Net Cash Flow from Operating Activities	**58.44**	**27.92**
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets/CWIP (net)	(62.11)	(25.33)
Net Cash Flow from Investing Activities	**(62.11)**	**(25.33)**
C. Cash Flow from Financing Activities		
Net Proceeds from Long Term Borrowings	-	-
Increase in Share Capital	-	-
Net Cash Flow from Financing Activities	-	-
Net Cash Flow during the year	(3.67)	2.59
Cash and Cash Equivalents at the beginning of the year	7.97	5.38
Cash and Cash Equivalents at the end of the year	**4.31**	**7.97**

Cash and Cash Equivalents consists of balance with Banks.
Previous year figures have been regrouped/recast wherever necessary.

As per our Report of even date attached
For Subhash C. Gupta & Co.
Chartered Accountants
Firm Regn NO. -004103N

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

Lokesh Gupta
Partner
M.No. 503853

Place : New Delhi
Date : 14.05.2018

For and on behalf of the Board of Directors of
SITI JIND DIGITAL MEDIA COMMUNICATION PVT. LTD.

Siti Jind Digital Media Communications Pvt. Ltd.

Director Director Director
DIN-03312309 DIN

For Siti Jind Digital Media Communications

Director / Authorised Signatory

SITI JIND DIGITAL MEDIA COMMUNICATION PVT LTD.

Statement of changes in Equity Rs. In Millions

(I) Equity Share Capital

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Balance at the beginning of the year	2.00	2.00
Changes in equity share capital during the year		-
Balance at the end of the year	**2.00**	**2.00**

(II) Other equity

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Retained Earnings		
Balance at the beginning of the year	(3.55)	(2.09)
Add: Prior Period Adjustment		
Profit /Loss for the year	(1.08)	(1.47)
Adjustment due to change in useful life of assets		-
Balances as at the end of the year (A)	**(4.63)**	**(3.55)**
Others		
Equity portion of OCD conversion		-
Balances as at the end of the year (B)	-	-
Other Comprehensive income		
Other comprehensive income recognised directly in retained earnings	(5.23)	(5.23)
Balances as at the end of the year (C)	(5.23)	(5.23)
Other Equity Balances as at the end of the year (A+B+C)	**(9.86)**	**(8.78)**
Total Equity Balances as at the end of the year (I+II)	**(7.86)**	**(6.78)**

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

This is the statement of changes in equity referred to in our report of even date

For Subhash C. Gupta & Co.
Chartered Accountants
Firm Regn NO. -004103N

Subhash C. Gupta & Co. New Delhi Chartered Accountants

Lokesh Gupta
Partner
M.No. 503853

Place : New Delhi
Date : 14.05.2018

For and on behalf of the Board of Directors of
SITI JIND DIGITAL MEDIA COMMUNICATIONS PVT LTD

Siti Jind Digital Media Communications Pvt. Ltd.

Director
DIN 03312309

Director Director
DIN

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

SITI JIND DIGITAL MEDIA COMMUNICATIONS PVT LTD
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018

2 Property, plant and equipment

Rs. In Millions

	Plant and equipment	Set top boxes	Total
Gross carrying amount			
Balance as at April 01, 2016	3.10	44.52	**47.62**
Additions	-	22.02	**22.02**
Disposals			**-**
Balance as at March 31, 2017	**3.10**	**66.54**	**69.64**
Gross carrying amount			
Balance as at March 31, 2017	3.10	66.54	**69.64**
Additions	0.01	58.44	**58.45**
Balance as at March 31, 2018	**3.11**	**124.98**	**128.09**
Accumulated depreciation			
Balance as at April 01, 2016	1.19	4.56	**5.75**
Charge for the year	0.47	6.72	**7.19**
Disposals			**-**
Balance as at March 31, 2017	**1.66**	**11.28**	**12.95**
Accumulated depreciation			
Balance as at March 31, 2017	1.66	11.28	**12.95**
Charge for the year	0.48	13.46	**13.94**
Balance as at March 31, 2018	**2.14**	**24.75**	**26.89**
Net carrying amount as at April 01, 2016	**1.91**	**39.95**	**41.86**
Net carrying amount as at March 31, 2017	**1.43**	**55.26**	**56.69**
Net carrying amount as at March 31, 2018	**0.97**	**100.23**	**101.20**

	As at 31-Mar-18	As at 31-Mar-17
Capital Work in Progess	**7.22**	**3.56**

Note:- I Capital work-in-progress include set top boxes, viewing cards (softwares) amounting to Rs.7216343/- and (previous year Rs.3564312/-) which are yet to be installed.

Siti Jind Digital Media Communications Pvt. Ltd.
Director

For Siti Jind Digital Media Communications Pvt. Ltd.
Director / Authorised Signatory

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

SITI JIND DIGITAL MEDIA COMMUNICATIONS PVT LTD

Summary of significant accounting policies and other explanatory information for the year ende Rs. In Millions

		As at 31-Mar-18	As at 31-Mar-17
3	**Others (non-current, non- financial assets)**		
	Unsecured, considered good		
	Deffered Tax Assets	1.77	-
		1.77	**-**

		As at 31-Mar-18	As at 31-Mar-17
4	**Trade receivables**		
	Unsecured, considered good	26.62	30.09
	Unsecured, considered doubtful		
	Less: Allowance for expected credit losses	(5.30)	(0.45)
		21.32	**29.63**
	Classified as:		
	Non-current trade receivables		
	Current trade receivables	**21.32**	**29.63**
		21.32	**29.63**

		As at 31-Mar-18	As at 31-Mar-17
5	**Cash and cash equivalents**		
	Cash on hand	0.08	1.31
	Balances with banks	4.23	6.66
	on current accounts		
		4.31	**7.97**

		As at 31-Mar-18	As at 31-Mar-17
6	**Others (current, financial assets)**		
	Unsecured, considered good		
	Unbilled revenues	0.54	1.87
	Security deposits	0.17	
		0.71	**1.87**

		As at 31-Mar-18	As at 31-Mar-17
7	**Other current assets**		
	Unsecured, considered good unless otherwise stated		
	Balances with Government authorities	22.71	13.94
	MAT Credit	1.47	1.64
	Prepaid expenses	0.33	-
		24.50	**15.58**

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

Siti Jind Digital Media Communications Pvt. Ltd.

Director

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

Share capital

	March 31, 2018	March 31, 2017
Authorised share capital		
200000 (Previous year: 200000) equity shares of Rs.10 each	2.00	2.00
Total authorised capital	**2.00**	**2.00**
Issued share capital		
200000 (Previous year: 200000) equity shares of Rs.10 each	2.00	2.00
Total issued capital	**2.00**	**2.00**
Subscribed and fully paid up capital		
200000 (Previous year: 200000) equity shares of Rs.10 each	2.00	2.00
Total paid up capital	**2.00**	**2.00**
	2.00	**2.00**

a. **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Share Capital Schedule (No. of Shares Outstanding)	31-Mar-18		31-Mar-17	
Particulars	Nos.	Amount	Nos.	Amount
Opening number of Shares outstanding	200,000	2,000,000	200,000	2,000,000
Add : Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Closing number of outstanding shares at the end of the period	**200,000**	**2,000,000**	**200,000**	**2,000,000**

b. Out of Equity and Preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates

Particulars	Nature of relationship	3/31/2018	3/31/2017
Siti Networks Limited (Formerly known as Siti Cable Network Limited)	Holding Company	102000 Equity Shares (51%)	102000 Equity Shares (51%)

c. **Terms/Rights attached to equity shares**

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.
In the event of liquidation of the Company, the holders of equity share 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 share held by the shareholders.

d. **Details of Shareholders holding more than 5 percent shares**

	March 2018		March 2017	
Name of Shareholders	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Siti Networks Limited (Formerly known as Siti Cable Network Limited)	102000.00	51.00%	102000.00	51.00%
Siti Cable Broadband South Limited	13000.00	6.50%	-	-
Mr. Piyush Sama	-	-	13000.00	6.50%
Mr. Ram Phool	85000.00	42.50%	85000.00	42.50%

Other Equity

	March 31, 2018	March 31, 2017
Retained Earnings		
Balance at the beginning of the year	(8.78)	(7.32)
Add: Prior period adjustment	-	-
Add: Profit/Loss for the year	(1.08)	(1.47)
Adjustment due to change in useful life of assets		-
Balances as at the end of the year (A)	(9.86)	(8.78)
Others		
Transfer from OCD	-	-
Balances as at the end of the year (B)		
Other Comprehensive income		
Other comprehensive income recognised directly in retained earnings	-	-
Balances as at the end of the year (C)		
Balances as at the end of the year (A+B+C)	(9.86)	(8.78)

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

For Siti Jind Digital Media Communications Pvt. Ltd.

Director

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

SITI JIND DIGITAL MEDIA COMMUNICATIONS PVT LTD

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018

Rs. In Millions

		As at 31-Mar-18	As at 31-Mar-17
10	**Deffered Tax Liability**		
	Deffered Tax Liability	-	1.20
		-	**1.20**

		As at 31-Mar-18	As at 31-Mar-17
11	**Other (non-current, non-financial liabilities)**		
	Deferred revenue	9.85	7.45
		9.85	**7.45**

		As at 31-Mar-18	As at 31-Mar-17
12	**Trade payables**		
	- Total outstanding dues of micro enterprises and small enterprises; and		
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	142.50	100.97
		142.50	**100.97**

		As at 31-Mar-18	As at 31-Mar-17
13	**Provisions (current)**		
	Expenses payable	-	1.13
		-	**1.13**

		As at 31-Mar-18	As at 31-Mar-17
14	**Other (current, non-financial liabilities)**		
	Deferred revenue	10.08	4.84
	Statutory dues payable	4.26	3.82
	Advance from customers	2.19	2.68
		16.52	**11.34**

Siti Jind Digital Media Communications Pvt. Ltd.

Director

For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants

SITI JIND DIGITAL MEDIA COMMUNICATION PVT LTD

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2018

Rs. In Millions

		31-Mar-18	31-Mar-17
15	**Revenue from operations**		
	Sale of services		
	Subscription income	48.26	27.91
	Advertisement income	3.05	3.13
	Carriage income	0.05	4.21
	Activation and Set top boxes pairing charges	25.87	14.60
		77.23	**49.85**

		31-Mar-18	31-Mar-17
16	**Other income**		
	Interest income on		
	Bank deposits		
	Others	0.02	-
	Excess provisions written back	-	0.31
		0.02	**0.31**

		31-Mar-18	31-Mar-17
17	**Employee benefits expense**		
	Director Remuneration	0.24	-
		0.24	**-**

		31-Mar-18	31-Mar-17
18	**Finance costs**		
	Interest/ late fee on service tax/TDS	0.18	0.73
	Bank charges	0.00	0.03
		0.19	**0.75**

		31-Mar-18	31-Mar-17
19	**Depreciation and amortisation of non-financial assets**		
	Depreciation of property, plant and equipment	13.94	7.19
		13.94	**7.19**

		31-Mar-18	31-Mar-17
20	**Other expenses**		
	Rent	0.36	0.36
	Digital Headend Feed Charges	2.05	1.54
	Repairs and maintenance		
	- Others	0.19	0.14
	Legal, professional and consultancy charges	0.16	0.13
	Auditors' remuneration*	0.08	0.05
	Provision for doubtful debts	4.85	-
	Sundry Balances written off	1.32	0.12
	Other operational cost	3.46	3.80
	Management Service Charges	20.00	9.05
	Miscellaneous expenses	0.06	-
		32.52	**15.17**

Rs. In Millions

	31-Mar-18	31-Mar-17
*Auditors' remuneration		
as an auditor		
for other services (certifications)		
for reimbursement of expenses	0.08	0.05
	0.08	**0.05**

		31-Mar-18	31-Mar-17
21	**Earnings (loss) per share**		
	Loss attributable to equity shareholders	(1.08)	(1.47)
	Weighted average number of equity shares outstanding during the year (nos.)	200,000	200,000
	Weighted average number of equity shares outstanding during the year for calculating basic and diluted earnings per share (nos.)	**200,000**	**200,000**
	Nominal value of per equity share (Rs.)	10	10
	Loss per share (in Rs.)	(5.38)	(7.33)
	Basic		
	Diluted		

Siti Jind Digital Media Communications Pvt. Ltd.

Director

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For Siti Jind Digital Media Communications Pvt. Ltd.

Director / Authorised Signatory

SUBHASH C. GUPTA & CO. NEW DELHI Chartered Accountants