

**DEN**



*only do  
amazing*

Annual Report 2014-15





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## CORPORATE INFORMATION

**Mr. Sameer Manchanda**

DIN: 00015459

Chairman Managing Director

**Mr. Ankur Ambika Sahu**

DIN: 03623120

Non-Executive Nominee Director

**Mr. Shahzaad Siraj Dalal**

DIN: 00011375

Non-Executive Nominee Director

**Mr. Krishnakumar P.T. Gangadharan**

DIN: 00090715

Alternate Director to Mr. Shahzaad Siraj Dalal

**Mr. Ajaya Chand**

DIN: 02334456

Non-Executive Independent Director

**Mr. Atul Sharma**

DIN: 00308698

Non-Executive Independent Director

**Mr. Robindra Sharma**

DIN: 00375141

Non-Executive Independent Director

**Mr. Pradeep Parameswaran**

Chief Executive Officer

**Mr. Manish Dawar**

Group Chief Financial Officer

**Mr. Jatin Mahajan**

Company Secretary & Compliance Officer

Registered office

236, Okhla Industrial Estates, Phase-III

New Delhi – 110 020

Landline: +91- 011- 40522200

Fax: +91- 011- 40522203

Email: investorrelations@denonline.in

**M/s. Deloitte Haskins & Sells**

Statutory Auditors

**M/s. Ajay Kumar Singh & Co.**

Cost Auditors

**M/s. Pankaj Krishn & Associates**

Internal Auditors

Registrar & Transfer Agent

Karvy Computershare Private Limited

Karvy House, 46 Avenue 4, Street No. 1,

Banjara Hills, Hyderabad- 500 034

Landline: + 91- 40- 2342 0815

Fax: +91 -40- 2342 0814

Email: einward.ris@karvy.com

## CHAIRMAN SPEECH

Dear Shareholders,

We all continue to be excited with the huge opportunity for the cable & broadband business. With a strong and empowered leadership team, DEN is right there in exploiting this opportunity to maximize shareholder value and we welcome the coming year with Digitization as the focus.

The Indian Economy growth picked up in FY'14-15, inflation markedly declined, and the external position was comfortable, helped by positive policies and lower global oil prices. With a stable government and pro-growth policy reforms, India is expected to drive itself home through more and consistent GDP growth in the subsequent years.

The year 2014 has been a turning point for the media and entertainment industry in India many ways. One of the major highlights in 2014 was the announcement of 'Digital India: A programme to transform India into a digitally empowered society and knowledge economy' by the government. Another trending phenomenon is Internet-Of-Things (IOT) which aims to inter-connect household devices like TV, ACs, Microwaves, Fridge, Cameras etc. to provide remote access and control. All these are signs of a technical revolution and development in India which can be achieved only through Digitization.

The rollout of digital cable STBs in Phases I and II cities is now complete and the stage is set for introduction of new age facilities like channel packaging, online bill payment, HD channels, Broadband etc.

With successful completion of Phases I and II, the roadmap is clear for Phases III and IV. Government support for Digital India provides a conducive environment for timely completion of Phases III and IV. We are adequately prepared and well capitalized for the opportunity and are consolidating operations, setting up business processes and systems, working on STB procurement and putting logistics in place to handle the huge scale STB roll out.

Broadband is another huge opportunity area. Wired broadband connections in the country are expected to grow up from 20 million in 2014 to 32 million in 2019. Globally, DOCSIS (Data Over Cable Service Interface Specification) is the predominant technology used for cable broadband and has higher speed and lower investment advantage over the DSL (Digital Subscriber Line) technologies used by telecom operators which require significantly less investment, but had speed limitations. We have soft launched our high speed broadband services and have crossed 3.3L Homes Passed with ~23,000 broadband subscribers.

We also forayed into TV Shopping and Soccer this fiscal year. TV shopping in India is almost a 4,000-5,000 crore market. Our TV shopping JV between DEN and Snapdeal brings tremendous synergies because we are able to leverage our reach in distribution and our capabilities on the video side to drive the front end activities and Snapdeal's brand merchandising and strong back-end allows state of the art infrastructure. The JV has a reach of more than 25m Homes and has started clocking annualised GMV of more than ~120 Crores.

On the soccer side, DEN, through its wholly owned subsidiary, acquired Delhi Dynamos FC, one of the most popular teams of the ISL with a fan base of over 425,000 (based on Facebook likes) and over 29,000 Twitter followers. The inaugural season of the Indian Super League (ISL) generated huge audience interest with overall season viewership reaching 429 million. The ISL also became Asia's No.1 League and the world's No. 4 League by stadium attendance attracting an average of 26,000+ spectators every match.

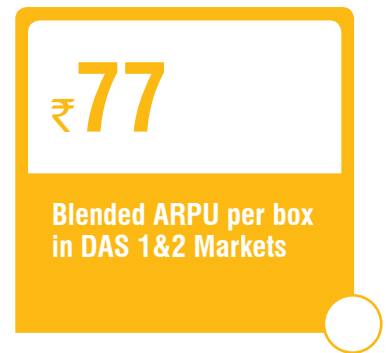
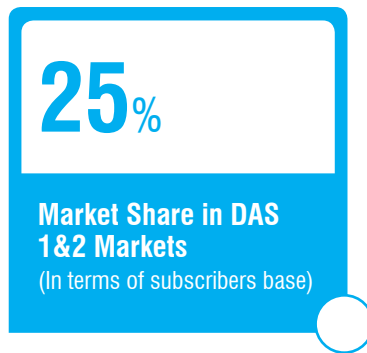
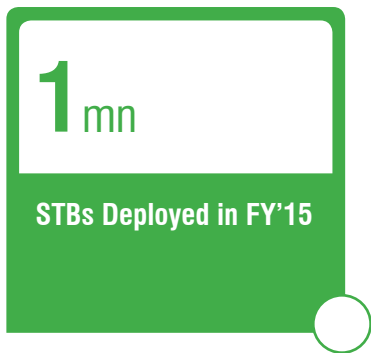
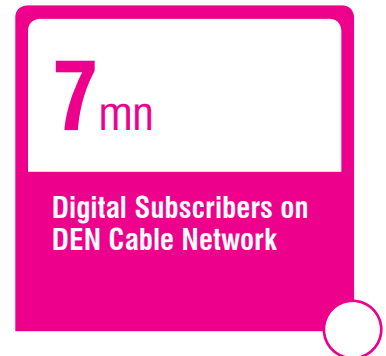
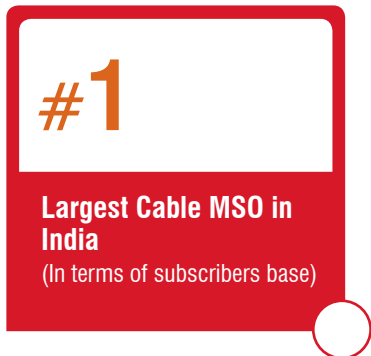
I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would also like to express my gratitude to all our stakeholders for their continuing faith in DEN.

With best wishes,

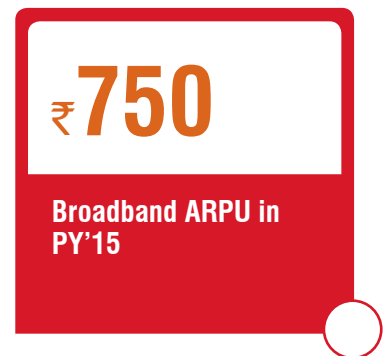
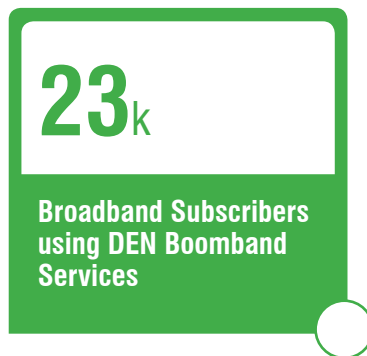
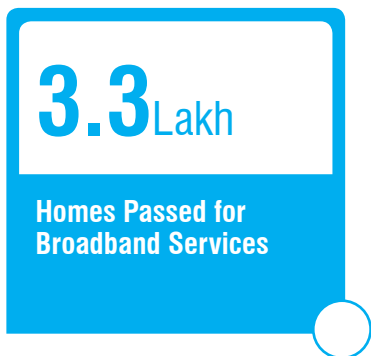
**Sameer Manchanda**  
Chairman Managing Director

# ACHIEVEING MORE TOGETHER

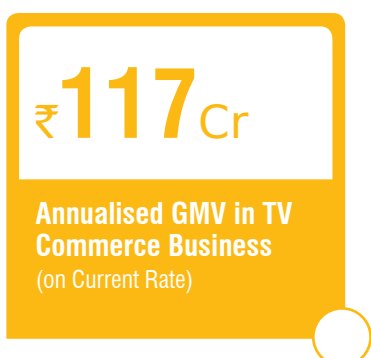
## CABLE BUSINESS



## BROADBAND BUSINESS



## TV COMMERCE



## PERFORMANCE HIGHLIGHTS

Particulars	Unit	FY 2012	FY 2013	FY 2014	FY 2015
<b>Consolidated Income Statement</b>					
Revenues	₹ Crore	713*	914	1,117	1,130
EBITDA	₹ Crore	95	218	302	92
PAT	₹ Crore	14	62	38	(144)
Cash PAT	₹ Crore	68	144	185	42

<b>Consolidated Statement of Financial Position</b>					
Shareholders' Equity	₹ Crore	802	875	1,856	1,710
Cash and Equivalents	₹ Crore	293	430	1,216	934
Total Debt	₹ Crore	258	747	1,025	996
Net Current Assets	₹ Crore	247	38	726	366

<b>Cable Business</b>					
Total Customer Base	Million	11	13	13	13
Digital Subscribers	Million	1	5	6	7
Revenues	₹ Crore	667	868	1,056	1,093
Revenues (Ex Activation, EX LCO Share)	₹ Crore	646	723	866	966
Subscription Income	₹ Crore	133	176	368	459
Placement Income	₹ Crore	479	495	465	474
Activation Income	₹ Crore	20	145	155	64
EBITDA	₹ Crore	104	214	301	187
EBITDA (Ex Activation)	₹ Crore	84	69	147	122

<b>Broadband Business</b>					
Homes Passed	Million	NA	NA	0	.33
Subscribers	'000	NA	NA	4	23
Conversion Ratio (In Q4)	%	NA	NA	NA	6%

\* Revenues netted of with distribution rights costs of INR 429 Cr for distribution business for a like-to-like comparison; the company moved to net revenue recognition effective fiscal 2012-2013.

# DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the Eighth Annual Report on the business & operations of your Company along with the Consolidated & Standalone Audited Financial Statements for the year ended March 31<sup>st</sup>, 2015.

## FINANCIAL RESULTS

(Rs. in millions)

Particulars	Consolidated		Standalone	
	Financial year ended March 31, 2015	Financial year ended March 31, 2014	Financial year ended March 31, 2015	Financial year ended March 31, 2014
Net Revenue	12,174.52	11,749.19	9,434.71	9,366.16
Operating profit/(loss) before interest, depreciation and taxes	1,802.24	3,493.99	714.76	1,638.48
Interest	823.04	889.71	765.51	828.00
Depreciation	1,859.48	1,473.90	1,086.79	852.14
Net Profit/(loss) before Tax	(880.28)	1,130.38	(1,137.54)	(41.66)
Provision for taxes/deferred tax	336.20	378.97	(29.47)	(93.31)
Minority interest	223.73	367.42	-	-
<b>Profit/(loss) after tax</b>	<b>(1,440.21)</b>	<b>383.99</b>	<b>(1,108.07)</b>	<b>51.65</b>

During the year under review, the total revenue of your Company was Rs. 9,434.71 million on standalone basis and Rs. 12,174.52 million on consolidated basis as compared to the last year's revenue of Rs. 9,366.16 million on standalone basis and Rs. 11,749.19 million on consolidated basis respectively. The Post Tax Loss of your Company was Rs. (1,108.07) million on standalone basis and Rs. (1,440.21) million on consolidated basis as compared to the last year's Post Tax Profit was Rs. 51.65 million on standalone basis and Rs. 383.99 million on Consolidated basis respectively.

## CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on the Accounting for Investments in Associates and Accounting Standard AS-27 on accounting on Joint Ventures, issued by the Institute of Chartered Accountants of India, the Audited Consolidated Financial Statements are provided in this Annual Report.

## DIVIDEND

Your Directors do not recommend any Dividend for the financial year ended March 31<sup>st</sup>, 2015.

## TRANSFER TO RESERVES

Your Company has not made any transfer to the Reserves during the financial year 2014-15.

## OPERATIONAL OVERVIEW

Your Company, one of the largest cable MSOs in India, is laying the foundations of building a powerful Consumer Franchise in Broadband, Cable Television and Television Shopping. Significant investments are being made to bring disruptive consumer offerings to the market.

### (i) Cable TV Business

Continuing with plans to digitalize the analog cable subscriber base, DEN seeded additional one million boxes in FY'14-15, taking the digital subscribers base to 7 million out of a total 13 million subscribers. The Company witnessed the positive results on subscription revenues and collections in FY'14-15; our subscription revenues grew 25% in FY'14-15 driven by increase in ARPUs across DAS territories.

### (ii) Broadband Business

Launched in FY' 14-15, DEN Broadband Services are now available to 329,000 homes as on March 31<sup>st</sup> 2015. The benefit of conversions out of the network rollout will come in the following quarters. The Company currently has a subscriber base of 23K at the end of FY'14-15 and 40% of the broadband subscribers come from Non-DEN homes.

### (iii) E-commerce Business

DEN entered into a 50:50 JV with e-commerce major, SNAPDEAL and forayed into TV Commerce business leveraging DEN's strengths in distribution and media



and SNAPDEAL's strength in brand, merchandising and logistics. The JV is currently converting +30% of the calls received and is clocking an annualized GMV of INR 115 Crores (at Mar'15 average booked GMV rate) within four months of beginning.

#### (iv) Club Ownership of Delhi Dynamos FC in Indian Super League

DEN forayed into football business and bought Delhi Dynamos of ISL with the strategic intent of strengthening our consumer brand. Delhi Dynamos FC is one of the most popular teams of the ISL with a fan base of over 419,000 on Facebook and over 30,000 Twitter followers.

### SUBSIDIARY COMPANIES

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies as per the Companies Act, 2013 is provided as annexure to the consolidated financial statement and hence not repeated here for the sake of brevity. The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: [http://www.dennetworks.com/corporate\\_gov.htm](http://www.dennetworks.com/corporate_gov.htm)

### PUBLIC DEPOSITS

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

### INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. The Company has also appointed Ernst & Young to compile / develop the policies and document the financial and IT controls. For each control, a test plan shall be documented and will be tested by the Management Audit Team on periodical basis.

### EXTRACT OF ANNUAL RETURN

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

### MEETINGS OF THE BOARD

Five meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance forming part of this Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31<sup>st</sup>, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and

estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### KEY MANAGERIAL PERSONNEL & DIRECTORS

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Pradeep Parameswaran was appointed as Chief Executive Officer and Mr. Manish Dawar was appointed as Group Chief Financial Officer of the Company w.e.f. January 16, 2015 and February 10, 2015 respectively. Mr. S.N. Sharma resigned as Chief Executive Officer of the Company w.e.f. September 29, 2014.

In terms of the Articles of Association of the Company Mr. Sameer Manchanda, Chairman Managing Director is liable to retire by rotation and being eligible, has offered himself for re-appointment. The Company has received requisite notice in writing from a member for appointment of Mr. Sameer Manchanda as Director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors. The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: [http://www.dennetworks.com/corporate\\_gov.htm](http://www.dennetworks.com/corporate_gov.htm)

### BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit & Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. The remuneration

of Senior Management is discussed and approved by the Nomination and Remuneration Committee. The Board has, on the recommendations of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### AUDITORS & AUDITORS' REPORT

The term of M/s. Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of your Company, expires at the ensuing Annual General Meeting. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the prescribed limits as mentioned under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for re-appointment. Your Board has duly examined the Report issued by the Statutory Auditors' of the Company on the Accounts for the financial year ended March 31, 2015. The notes on Accounts, as presented in this Annual Report, are self explanatory in this regard and hence do not call for any further clarification. The Auditors' Report does not contain any qualification, reservation or adverse remark.

It is proposed to re-appoint M/s. Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors for a period of three years from the conclusion of Eight Annual General Meeting till the conclusion of Eleventh Annual General Meeting of the Company., subject to Annual ratification by shareholders at every Annual General Meeting.

### SECRETARIAL AUDIT

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

### COST AUDITORS

M/s. Ajay Kumar Singh & Co., Cost Accountants, have been re-appointed as Cost Auditors for the financial year 2014-15, to conduct cost audit of the accounts maintained by the Company. Full particulars of the Cost Auditor are as under:

M/s. Ajay Kumar Singh & Co.  
1/26, 2nd Floor, Lalita Park, Laxmi Nagar, Delhi-110092  
Tel. No. : 011-45595822; Email ID – Info@cmaadvisors.in  
(Firm's Regn. No.000386)

Your Board has duly examined the Report issued by the Cost Auditors of the Company on the Accounts for the financial year ended March 31, 2015. The Cost Auditors' Report does not contain any qualification, reservation or adverse remark. Your Company has re-appointed M/s. Ajay Kumar Singh & Co., Cost Accountants as Cost Auditor under Section 148 of the Companies Act, 2013 for Cost Audit for the financial year 2015-16.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of the loans, guarantees given and investments made by the Company are given in the Notes to the Financial Statements.

### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: [http://www.dennetworks.com/corporate\\_gov.htm](http://www.dennetworks.com/corporate_gov.htm)

Your Directors draw attention of the members to Notes to the Financial Statements which sets out related party disclosures.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

### EMPLOYEES' STOCK OPTION SCHEME

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme of the Company in accordance with the applicable SEBI Guidelines. The applicable disclosures as stipulated under the SEBI Guidelines as on March 31, 2015 with regard to the Employees' Stock Option Scheme (ESOS) are provided in "Annexure C" to this Report.

The issue of equity shares pursuant to exercise of options does not affect the Statement of Profit and Loss of the Company, as the exercise is made not below the market price prevailing as on the date of the grant.

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

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

### CREDIT RATING

The Company's financial discipline and prudence is reached in the stable credit rating by rating agency as given below:

Instrument	Rating Agency	Rating	Outlook
Long Term Debt	ICRA	A	Stable
Short Term Debt	ICRA	A1	Stable

### CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company’s website at the link: [http://www.dennetworks.com/corporate\\_gov.htm](http://www.dennetworks.com/corporate_gov.htm)

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

The Company has identified following focus areas of engagement which are as under:

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

During the year, the Company has spent Rs. 41.81 Lacs on promotion of sports.

The Annual Report on CSR activities is annexed herewith marked as “Annexure D”.

### RISK MANAGEMENT

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with

the responsibility to assist the Board in (a) Overseeing and approving the Company’s enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. A Group Risk Management Policy was reviewed and approved by the Committee. The Company’s management systems, organizational structures, processes, standards, code of conduct and behaviors together form the DEN Management System that governs how the Group conducts the business of the Company and manages associated risks.

### CODE OF CONDUCT

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

### AUDIT COMMITTEE

The composition of the Audit Committee is in conformity with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee comprises of :-

S.No.	Name of the Member	Designation
1.	Mr. Ajaya Chand	Chairman
2.	Mr. Robindra Sharma	Member
3.	Mr. Shahzaad Dalal	Member

All the recommendations made by the Audit Committee were accepted by the Board.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

## PREVENTION OF INSIDER TRADING

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

## PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 of Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of remuneration details and details of employees of the Company will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on details of remuneration of directors and employees' particulars which are available for inspection by the members at the Registered office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

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

In order to prevent sexual harassment of women at work place a new Act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up a Committee for implementation of said Policy. During the year The Company has not received any complaint of harassment.

## DETAILS OF UNCLAIMED SHARES AS PER CLAUSE 5A OF THE LISTING AGREEMENT

Dematerialization credit of 309 equity shares of Rs.10 each, for four allottees could not happen till date, due to incorrect particulars of account holders. The Company through its Registrar and Share Transfer Agent, M/s Karvy Computershare Private Limited, had sent several reminders to these allottees and in the absence of any response from any of them, had finally transferred the aforesaid equity shares to 'Den Networks Limited – Unclaimed Securities Suspense Account'. As required under Clause 5A of the Listing

Agreement, following is the status of outstanding shares lying in the aforesaid account as on March 31, 2015:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1 <sup>st</sup> April, 2014 / transferred to Account during the year ended 31 <sup>st</sup> March, 2015	4	309
Number of shareholders who approached to the Company / RTA for transfer of shares from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March 2015	Nil	Nil
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March 2015	Nil	Nil
Aggregate Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. as on 31 <sup>st</sup> March, 2015.	4	309

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

## CORPORATE GOVERNANCE

We at DEN believe that sound Corporate Governance is critical in enhancing and retaining stakeholders trust. Our priority is attainment of all performance goals with integrity. The Company is committed to maintain the highest Standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. A certificate from practicing Company Secretary regarding compliance of the conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is attached to the Report on Corporate Governance. Certificate of the CEO/ CFO, inter alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the internal control measures and reporting of matters to the Audit Committee in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, is attached in the Corporate Governance report and forms part of this Report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

### Conservation of Energy

Your Company is not an energy intensive unit; however possibilities are continuously explored to conserve energy and to reduce energy consumption at production & editing facilities, studios, workstations of the Company.

### Technology Absorption

Your Company is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of your Company are made aware of the latest working techniques and technologies through workshops, group e-mails, discussion sessions for optimum utilization of available resources and to improve operational efficiency.

### Foreign Exchange Earnings and Outgo

Disclosure of foreign exchange earnings and outgo as required under Rule 2(C) is given in “Notes on Accounts” forming part of the Audited Annual Accounts.

	(Rs. in million)
Foreign Exchange Earnings	0.43
Foreign Exchange Outgo	1623.24

### GENERAL

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company’s operations in future.
6. Material changes and commitments, affecting the financial position of the company.
7. Change in the nature of business.
8. Disclosure u/s 67(3) in respect of voting rights not exercised by employees in respect of shares to which the scheme relates.
9. Re-appointment of Independent Director after 5 years u/s 149(10).

Your Directors further state that during the year under review, there were no cases led pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors  
Sd/-  
**Chairman Managing Director**

Place: New Delhi  
Date: 31-07-2015

<b>ANNEXURE INDEX</b>	
<b>Annexure</b>	<b>Content</b>
A	Annual Return Extract in Form MGT-9 I. Registration and other details II. Principal business activities of the Company III. Particulars of Holding, Subsidiary and Associate Companies IV. Shareholding pattern (equity share capital breakup as percentage of total equity) V. Indebtedness VI. Remunerations VII. Penalties/Punishment/Compounding of offences
B	MR-3 Secretarial Audit Report
C	ESOP Disclosure(s)
D	Annual Report on Corporate Social Responsibility

# "ANNEXURE A" TO BOARDS' REPORT

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
As on the Financial Year ended on  
31<sup>st</sup> March, 2015**

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

## I. REGISTRATION AND OTHER DETAILS

- i) CIN: L92490DL2007PLC165673
- ii) Registration Date: 10/07/2007
- iii) Name of the Company: DEN Networks Limited
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the Registered office and contact details:  
236, Okhla Industrial Estate, Phase-III, New Delhi-110020  
Ph: +91 11 4052 2200; Fax: +91 11-4052 2203  
Email: investorrelations@denonline.in
- vi) Whether listed company: YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent:  
M/s Karvy Computershare Private Limited  
Karvy House, 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad- 500 034  
Ph: +91 40 2342 0815; Fax: +91 40 2342 0814  
Email: einward.ris@karvy.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Cable Distribution Services	602	97%

<b>III.</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	<i>Attachment 1</i>
<b>IV.</b>	<b>SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
	<i>Category-wise Shareholding</i>	<i>Attachment 2</i>
	<i>Shareholding of Promoters</i>	<i>Attachment 3</i>
	<i>Change in Promoters' Shareholding (please specify, if there is no change)</i>	<i>Not Applicable</i>
	<i>Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)</i>	<i>Attachment 4</i>
	<i>Shareholding of Directors and Key Managerial Personnel</i>	<i>Attachment 5</i>
<b>V</b>	<b>INDEBTEDNESS</b>	<i>Attachment 6</i>
<b>VI</b>	<b>REMUNERATIONS</b>	
	<i>REMUNERATION TO MD, WTD AND/OR MANAGER</i>	<i>Attachment 7</i>
	<i>REMUNERATION OF DIRECTORS</i>	<i>Attachment 8</i>
	<i>REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD</i>	<i>Attachment 9</i>
<b>VII</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	<i>Attachment 10</i>

## ATTACHMENT 1 TO ANNEXURE A

S. No.	Name of Company	Address of the Company	CIN No.	Holding/ Subsidiary/ Associate	Equity Holding of DEN/ Subsidiary	Applicable Section
1	Den Futuristic Cable Networks Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U28910DL2007PTC169149	Subsidiary	100.00	2(87) (ii)
2	Den Entertainment Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92112DL1998PTC091569	Subsidiary	100.00	2(87) (ii)
3	DEN Digital Entertainment Gujarat Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32204DL2007PTC166714	Subsidiary	100.00	2(87) (ii)
4	Aster Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72300DL2007PTC168269	Subsidiary	100.00	2(87) (ii)
5	Shine Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64204DL2008PTC183749	Subsidiary	100.00	2(87) (ii)
6	DEN Sports & Entertainment Private Limited (formerly known as IME Networks Private Limited)	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U52590DL2008PTC183649	Subsidiary	100.00	2(87) (ii)
7	DEN Soccer Private Limited (formerly known as Astron Media Networks Private Limited)	236, Okhla Industrial Estate, New Delhi-110020	U92190DL2010PTC204635	Indirect Subsidiary	100.00	2(87) (ii)
8	Mahavir Den Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74900DL2009PTC192223	Subsidiary	51.15	2(87) (ii)
9	DEN BCN Suncity Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U45400DL2007PTC171510	Subsidiary	51.02	2(87) (ii)
10	DEN Prayag Cable Networks Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32204DL2007PTC167574	Indirect Subsidiary	75.00	2(87) (ii)
11	DEN Crystal Vision Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72300DL2007PTC171606	Subsidiary	51.01	2(87) (ii)
12	DEN Harsh Mann Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32200DL2007PTC171679	Subsidiary	51.00	2(87) (ii)
13	Den Kashi Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U15122DL2007PTC169854	Subsidiary	51.00	2(87) (ii)
14	DEN Krishna Cable TV Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92130DL2007PTC171613	Subsidiary	74.00	2(87) (ii)
15	Den Mahendra Satellite Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32200DL2007PTC171687	Subsidiary	60.00	2(87) (ii)
16	Den Mod Max Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U45400DL2007PTC171553	Subsidiary	51.00	2(87) (ii)
17	DEN Pawan Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72900DL2007PTC171513	Subsidiary	63.00	2(87) (ii)
18	Den Pradeep Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64202DL2008PTC172764	Subsidiary	50.99	2(87) (ii)
19	Den Prince Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72900DL2007PTC171605	Subsidiary	51.00	2(87) (ii)
20	DEN Varun Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64200DL2008PTC172193	Subsidiary	51.00	2(87) (ii)
21	DEN Patel Entertainment Network Private Limited	45/299, Gujrat Housing Board, Palanpur Patiya, Rander Road, Surat-395009, Gujrat	U92190GJ2008PTC052588	Subsidiary	51.00	2(87) (ii)
22	Mahadev Den Cable Network Private Limited	A-1, Fourth Floor, Samath Park Appartment, Chappra Bhatta Road, Amroli Char Rasta, Amroli, Surat-394 017	U92190GJ2008PTC052585	Subsidiary	51.00	2(87) (ii)
23	Mahadev Den Network Private Limited	C-1/31, ALTHANTENAMENT, BHATAR CHAR RASTA, SURAT-395001, Gujarat	U92490GJ2008PTC052589	Subsidiary	94.72	2(87) (ii)
24	Den-Manoranjan Satellite Private Limited	Plot No. 212, Sector No. 21, Yamuna Nagar, Nigdi, Pune-411 044	U93132PN2000PTC014507	Subsidiary	51.00	2(87) (ii)
25	Meerut Cable Network Private Limited	2nd Floor, Niranjn Vatika, Near Bachha Park, Begum Bridge, Meerut, Uttar Pradesh-250002	U92132UP2003PTC027856	Subsidiary	51.00	2(87) (ii)
26	Shree Sidhivinayak Cable Network Private Limited	304, Param Complex, VMC Gas Office, Dandi Bazar, Baroda 1, Gujarat	U74999GJ2006PTC047655	Subsidiary	51.00	2(87) (ii)
27	Radiant Satellite (India) Private Limited	106, Vallbari, Gumanpura, Kota-324 007	U72200RJ2006PTC022867	Subsidiary	51.00	2(87) (ii)



S. No.	Name of Company	Address of the Company	CIN No.	Holding/ Subsidiary/ Associate	Equity Holding of DEN/ Subsidiary	Applicable Section
28	Den Montooshah Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92130DL2008PTC180783	Subsidiary	100.00	2(87) (ii)
29	Den RIS Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72900DL2008PTC172190	Subsidiary	100.00	2(87) (ii)
30	Den Bellary City Cable Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U31300DL2008PTC184082	Subsidiary	100.00	2(87) (ii)
31	Den Mewar Rajdev Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72900DL2008PTC174717	Subsidiary	99.51	2(87) (ii)
32	Den Radiant Satellite Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32300DL2008PTC174699	Subsidiary	65.00	2(87) (ii)
33	Den Enjoy Cable Networks Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32204DL2007PTC168283	Subsidiary	51.00	2(87) (ii)
34	Den Satellite Cable TV Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32200DL2007PTC171688	Subsidiary	51.00	2(87) (ii)
35	Den Maa Sharda Vision Cable Networks Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22210DL2007PTC169459	Subsidiary	51.00	2(87) (ii)
36	Den Fateh Marketing Private Limited	C/o Singh Automobile, Opposite Nagar Nigam, Bareilly-243001	U52599UP2007PTC032860	Subsidiary	51.00	2(87) (ii)
37	Den Jai Ambey Vision Cable Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22130DL2008PTC176266	Subsidiary	51.00	2(87) (ii)
38	Den Classic Cable TV Services Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U45400DL2008PTC172523	Subsidiary	51.00	2(87) (ii)
39	Den Digital Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U45400DL2008PTC174017	Subsidiary	51.00	2(87) (ii)
40	Den F K Cable TV Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72900DL2008PTC175841	Subsidiary	51.00	2(87) (ii)
41	Den Shiva Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2008PTC176512	Subsidiary	87.27	2(87) (ii)
42	Den Sky Media Network Private Limited	6, Greater Kailash Colony, Lal Kothi, Jaipur-302016	U64202RJ2008PTC026471	Subsidiary	99.33	2(87) (ii)
43	Den Bindra Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32200DL2008PTC179490	Subsidiary	51.00	2(87) (ii)
44	Den Nashik City Cable Network Private Limited	First Floor, Below Vighnhar Hospital, Mayur Plaza, Near Dwarka, Nashik-422 001, Maharashtra	U92190MH2007PTC171273	Subsidiary	51.00	2(87) (ii)
45	Den Supreme Satellite Vision Private Limited	710, Prabhat Centre Annexe, Sector 6, CBD Belapur, Navi Mumbai-400 614	U74900MH2008PTC181400	Subsidiary	51.00	2(87) (ii)
46	Den MCN Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64200DL2008PTC176265	Subsidiary	51.00	2(87) (ii)
47	Drashti Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74120DL2008PTC173551	Subsidiary	51.01	2(87) (ii)
48	Den Ashu Cable Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74900DL2008PTC182001	Subsidiary	51.00	2(87) (ii)
49	DEN Ambey Cable Networks Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92130DL2007PTC167995	Subsidiary	59.62	2(87) (ii)
50	Den Aman Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22300DL2008PTC182743	Subsidiary	51.00	2(87) (ii)
51	Den Budaun Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64203DL2008PTC180352	Subsidiary	51.00	2(87) (ii)
52	Den Narmada Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74120DL2008PTC176490	Subsidiary	97.12	2(87) (ii)
53	DEN Malayalam Telenet Private Limited	3rd Floor, Parapilly Buildings, S.A. Road, Panampilly Road, Cochin, Kerala-682036	U64204KL2004PTC016811	Subsidiary	51.00	2(87) (ii)
54	Den Elgee Cable Vision Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32200DL2008PTC181773	Subsidiary	51.00	2(87) (ii)
55	Den Rajkot City Communication Private Limited	3rd Floor, Rameshwar Apartment, 4-Manhar Plot, Mangala Road, Rajkot, Gujarat-360001	U64204GJ2006PTC049169	Subsidiary	50.98	2(87) (ii)
56	Den Malabar Cable Vision Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32304DL2008PTC180671	Subsidiary	51.00	2(87) (ii)
57	Den Infoking Channel Entertainers Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64200DL2008PTC183102	Subsidiary	96.88	2(87) (ii)

S. No.	Name of Company	Address of the Company	CIN No.	Holding/ Subsidiary/ Associate	Equity Holding of DEN/ Subsidiary	Applicable Section
58	Amogh Broad Band Services Private Limited	BDA Industrial Site No.7, 3rd Floor, 17th Cross, K.R Road, Banashankari 2nd Stage, Bangalore-560070	U64202KA2004PTC034006	Subsidiary	100.00	2(87) (ii)
59	Den Ambey Jhansi Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64203DL2008PTC183964	Indirect Subsidiary	100.00	2(87) (ii)
60	Den Ambey Farukabad Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64203DL2008PTC183996	Indirect Subsidiary	100.00	2(87) (ii)
61	Den UCN Network India Private Limited	4/107, B Rameshbhat Building, Near Vaikunta Valinga Law College, Kunjibettu, Udupi, Karnataka-576102	U92131KA2009PTC050349	Subsidiary	51.00	2(87) (ii)
62	Galaxy Den Media & Entertainment Private Limited	Jay Srinivas Colony-3, Summer Club Road, Jamnagar, Gujarat-361005	U64204GJ2008PTC054775	Subsidiary	51.00	2(87) (ii)
63	Fortune (Baroda) Network Private Limited	C301, Yesh Apartments, NRL Jain Temple, Manjalpur, Baroda, Gujarat-390011	U72200GJ2003PTC043302	Subsidiary	51.00	2(87) (ii)
64	Bali Den Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64204DL2008PTC183656	Subsidiary	51.04	2(87) (ii)
65	Den Citi Channel Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92130DL2008PTC180353	Subsidiary	51.00	2(87) (ii)
66	Fab Den Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64200DL2008PTC185866	Subsidiary	51.00	2(87) (ii)
67	Den Satellite Network Private Limited	401/402, Sentinel Above Pizza Hut, Aadishankar Acharya Marg, Hiranandani Garden, Powai, Mumbai-400076	U74990MH2008PTC177440	Subsidiary	50.00	2(87) (i)
68	United Cable Network (Digital) Private Limited	G-9, Shreeji Ashtha Avenues, Near A. C. Nilsen, Opp Balaji Hospital, Ellora Park, Vadodara, Gujarat-390007	U64204GJ2008PTC054677	Subsidiary	51.00	2(87) (ii)
69	Shri Ram Den Network Private Limited	Rayon Housing Society No. 2, Building No.5, Block No. 51, Veraval, Gujarat-362226	U64204GJ2008PTC053704	Subsidiary	51.00	2(87) (ii)
70	Den Krishna Vision Private Limited	22, Guru Govind Nagar, Opp. Amidhara Wadi, Adajan Patia, Rander Road, Surat, Gujarat-395009	U64204GJ2008PTC054996	Subsidiary	51.00	2(87) (ii)
71	Cab-i-Net Communications Private Limited	R No. 24, Chirakkadav Panchayat Shopping Complex, Ponkkunam Kanjirappally, Kottayam, Kerala-686506	U64204KL2003PTC016398	Subsidiary	51.02	2(87) (ii)
72	Den Sariga Communications Private Limited	Sunaina Building, Moonampadi, Malappuram, Kerala-676505	U92100KL2010PTC025881	Subsidiary	51.00	2(87) (ii)
73	Den Sahyog Cable Network Private Limited	A-11, Alnoor Society, Near G.E.B Power House, National Highway, Balasinor, Nadiad, Gujarat-388255	U64204GJ2008PTC054811	Subsidiary	51.00	2(87) (ii)
74	Den Kattakada Telecasting and Cable Services Private Limited	5/229, Punnamkonam, Kachani, Vattiyoorkavu, Trivandrum, Kerala-695013	U64204KL2010PTC026349	Subsidiary	51.00	2(87) (ii)
75	Den A.F. Communication Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74120DL2008PTC185868	Subsidiary	51.00	2(87) (ii)
76	Sree Gokulam Starnet Communication Private Limited	66 Arcot Roadkodambakkam, Chennai 600 024, Tamilnadu	U92132TN2000PTC046037	Subsidiary	51.00	2(87) (ii)
77	Big Den Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2010PTC211666	Subsidiary	51.00	2(87) (ii)
78	Star Den Media Services Private Limited	Star House, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (W), Mumbai-400013, Maharashtra	U22222MH2007PTC192620	Joint Venture	50.00	2(6)
79	Den Ambey Citi Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22200DL2007PTC169460	Indirect Subsidiary	51.00	2(87) (ii)
80	Den Deva Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64202DL2008PTC172403	Indirect Subsidiary	51.00	2(87) (ii)

S. No.	Name of Company	Address of the Company	CIN No.	Holding/ Subsidiary/ Associate	Equity Holding of DEN/ Subsidiary	Applicable Section
81	Kerela Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64204DL2008PTC183969	Indirect Subsidiary	100.00	2(87) (ii)
82	Rajasthan Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92190DL2010PTC211326	Indirect Subsidiary	100.00	2(87) (ii)
83	Uttar Pradesh Digital Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2011PTC212548	Indirect Subsidiary	100.00	2(87) (ii)
84	Matrix Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92190DL2011PTC214646	Subsidiary	100.00	2(87) (ii)
85	Capital Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92190DL2011PTC212462	Indirect Subsidiary	100.00	2(87) (ii)
86	Shaakumabari Den Media Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2011PTC224361	Subsidiary	100.00	2(87) (ii)
87	Star Channel Den Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64204DL2008PTC183868	Indirect Subsidiary	51.00	2(87) (ii)
88	Den Nanak Communication Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64200DL2008PTC173372	Indirect Subsidiary	51.00	2(87) (ii)
89	Den Saya Channel Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U72900DL2008PTC178181	Indirect Subsidiary	51.00	2(87) (ii)
90	Den Faction Communication System Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32202DL2008PTC176973	Indirect Subsidiary	51.00	2(87) (ii)
91	Fun Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2010PTC211506	Indirect Subsidiary	51.00	2(87) (ii)
92	Den Enjoy Navaratan Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U64200DL2008PTC173660	Indirect Subsidiary	51.00	2(87) (ii)
93	Kishna DEN Cable Networks Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74900DL2009PTC188100	Indirect Subsidiary	51.00	2(87) (ii)
94	Divya Drishti Den Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74900DL2009PTC192059	Indirect Subsidiary	51.00	2(87) (ii)
95	DEN New Broad Communication Private Limited	P P Chambers, 3rd Floor, Near Kdmc Bhagat Singh Path Dombivali East, Thane, Maharashtra-421201	U93090MH2010PTC202739	Indirect Subsidiary	51.00	2(87) (ii)
96	DEN Enjoy SBNM Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2011PTC212146	Indirect Subsidiary	51.00	2(87) (ii)
97	Sanmati DEN Cable TV Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22190DL2011PTC222875	Subsidiary	51.00	2(87) (ii)
98	Sanmati Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2011PTC215278	Subsidiary	51.00	2(87) (ii)
99	Crystal Vision Media Private Limited	E-7, II nd Floor, Kalka Ji, Delhi-110019	U32200DL2008PTC178126	Subsidiary	51.00	2(87) (ii)
100	Den Steel City Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2011PTC212150	Subsidiary	51.00	2(87) (ii)
101	Multi Channel Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22100DL2011PTC223086	Subsidiary	51.00	2(87) (ii)
102	Victor Cable TV Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92190DL2011PTC214185	Subsidiary	51.00	2(87) (ii)
103	Gemini Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92190DL2011PTC214388	Subsidiary	51.00	2(87) (ii)
104	Ambika DEN Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2011PTC214705	Subsidiary	51.00	2(87) (ii)
105	Saturn Digital Cable Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2011PTC214655	Indirect Subsidiary	51.00	2(87) (ii)
106	Multi Star Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U32201DL2011PTC222729	Subsidiary	51.00	2(87) (ii)
107	DEN VM Magic Entertainment Private Limited	First Floor, Harsh Plaza, 4D, Meerabi Marg, Lucknow, U.P-226001	U93000UP2011PTC045043	Subsidiary	51.00	2(87) (ii)
108	Antique Communications Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22210DL2011PTC225171	Subsidiary	51.00	2(87) (ii)
109	Bhadohi DEN Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2011PTC216382	Indirect Subsidiary	51.00	2(87) (ii)
110	Disk Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U93000DL2011PTC228033	Subsidiary	51.00	2(87) (ii)
111	Eminent Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92400DL2012PTC231558	Subsidiary	51.00	2(87) (ii)

S. No.	Name of Company	Address of the Company	CIN No.	Holding/ Subsidiary/ Associate	Equity Holding of DEN/ Subsidiary	Applicable Section
112	Silverline Television Network Private Limited	P-31 Nani Gopal Roy Chowdhury Avenue, Entally, Kolkata, West Bengal-700014	U93000WB2011PTC169094	Subsidiary	51.00	2(87) (ii)
113	Skynet Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74140DL2011PTC228312	Indirect Subsidiary	100.00	2(87) (ii)
114	Ekta Entertainment Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2010PTC210266	Subsidiary	51.00	2(87) (ii)
115	DEN STN Television Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U74300DL2012PTC230263	Indirect Subsidiary	51.00	2(87) (ii)
116	Devine Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22211DL2011PTC223652	Subsidiary	51.00	2(87) (ii)
117	Nectar Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U22100DL2011PTC224182	Subsidiary	51.00	2(87) (ii)
118	Trident Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92130DL2012PTC231610	Subsidiary	51.00	2(87) (ii)
119	DEN ADN Network Private Limited	11/15, 3rd Floor, East Patel Nagar, New Delhi-110008	U74999DL2011PTC227604	Subsidiary	51.00	2(87) (ii)
120	CCN DEN Network Private Limited	C-1/9, Krishna Nagar, Delhi-110051	U74900DL2011PTC228433	Subsidiary	51.00	2(87) (ii)
121	Rose Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92190DL2012PTC232947	Subsidiary	51.00	2(87) (ii)
122	Multitrack Cable Network Private Limited	75, Ram Nagar Colony, Shahjahanpur, 242001, Uttar Pradesh	U93030UP2012PTC050744	Subsidiary	51.01	2(87) (ii)
123	Blossom Entertainment Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2012PTC231482	Subsidiary	51.00	2(87) (ii)
124	Glimpse Communications Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U93000DL2011PTC225601	Subsidiary	51.00	2(87) (ii)
125	Indradhanush Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2012PTC243484	Subsidiary	51.00	2(87) (ii)
126	Adhunik Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2012PTC243760	Subsidiary	51.00	2(87) (ii)
127	Pee Cee Cable Network Private Limited	Anantpur, Ranchi, Jharkhand-834001	U64200JH2013PTC000961	Subsidiary	51.00	2(87) (ii)
128	Libra Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2012PTC246586	Subsidiary	51.00	2(87) (ii)
129	Srishti DEN Networks Private Limited (formerly known as Platinum Cable TV Network Private Limited)	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2012PTC235925	Indirect Subsidiary	51.00	2(87) (ii)
130	Maitri Cable Network Private Limited*	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2013PTC249134	Indirect Subsidiary	51.00	2(87) (ii)
131	Melody Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2013PTC249148	Indirect Subsidiary	60.00	2(87) (ii)
132	Mountain Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92130DL2013PTC248531	Indirect Subsidiary	51.00	2(87) (ii)
133	Portrait Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2013PTC249351	Indirect Subsidiary	51.00	2(87) (ii)
134	Mansion Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2012PTC246019	Subsidiary	66.00	2(87) (ii)
135	Den Discovery Digital Networks Private Limited	Office No.103, Mayur Plaza, 1st Floor, Wadala Naka, Nashik-422002, Maharashtra	U74900MH2013PTC240517	Subsidiary	51.00	2(87) (ii)
136	Jhankar Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2012PTC243921	Subsidiary	51.00	2(87) (ii)
137	DEN ABC Cable Network Ambarnath Private Limited	201 / 202, Plot No.2, Pratibha Appartment, Kansai Section, Shivaji Chowk, Ambarnath East, Thane, Maharashtra – 421501	U74996MH2012PTC231855	Indirect Subsidiary	51.00	2(87) (ii)
138	Den Premium Multilink Cable Network Private Limited	Shop No. 5, Kapote Meher Market, Wadala Naka, Nashik-422001, Maharashtra	U74990MH2010PTC201849	Subsidiary	51.00	2(87) (ii)
139	Konark IP Dossiers Private Limited	1St Floor, Himath Plaza, Powai Chowk, Ulhasnagar, Maharashtra – 421003	U22222MH2010PTC199749	Indirect Subsidiary	50.00	2(87) (ii)
140	Scorpio Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92490DL2012PTC246211	Subsidiary	51.00	2(87) (ii)

S. No.	Name of Company	Address of the Company	CIN No.	Holding/ Subsidiary/ Associate	Equity Holding of DEN/ Subsidiary	Applicable Section
141	Angel Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92100DL2013PTC258418	Indirect Subsidiary	51.00	2(87) (ii)
142	Desire Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U93000DL2013PTC261455	Subsidiary	51.00	2(87) (ii)
143	Marble Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92412DL2013PTC258465	Subsidiary	51.00	2(87) (ii)
144	Augment Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U92120DL2013PTC258409	Subsidiary	51.00	2(87) (ii)
145	ABC Cable Network Private Limited	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U93000DL2013PTC262119	Indirect Subsidiary	51.00	2(87) (ii)
146	DENMTN Star Vision Networks Private Limited	4/398, Irimpanam-Eroor Road, Irimpanam, Tripunithura Municipality, Ernakulam, Kerala – 682309	U64204KL2013PTC033302	Indirect Subsidiary	51.00	2(87) (ii)
147	Macro Commerce Private Limited*	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	U93000DL2014PTC264313	Joint Venture	50.00	2(6)

\* Added during the year.

**ATTACHMENT 2 TO ANNEXURE A**  
**Category-wise Shareholding**

CATEGORY OF SHAREHOLDER	No. of Shares held at the beginning of the year (01-04-2014)			No. of Shares held at the end of the year (31-03-2015)			% change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical		Total
<b>(A) PROMOTER AND PROMOTER GROUP</b>								
(1) INDIAN								
(a) Individual / HUF	50,807,950	-	50,807,950	28.51	50,807,950	-	50,807,950	28.51
(b) Central Government/State Government(s)	-	-	-	0.00	-	-	-	0.00
(c) Bodies Corporate	20,552,470	-	20,552,470	11.53	20,552,470	-	20,552,470	11.53
(d) Financial Institutions / Banks	-	-	-	0.00	-	-	-	0.00
(e) Others	-	-	-	0.00	-	-	-	0.00
<b>Sub-Total A(1) :</b>	<b>71,360,420</b>	<b>-</b>	<b>71,360,420</b>	<b>40.05</b>	<b>71,360,420</b>	<b>-</b>	<b>71,360,420</b>	<b>40.05</b>
(2) FOREIGN								
(a) Individuals (NRIs/Foreign Individuals)	-	-	-	0.00	-	-	-	0.00
(b) Bodies Corporate	-	-	-	0.00	-	-	-	0.00
(c) Institutions	-	-	-	0.00	-	-	-	0.00
(d) Qualified Foreign Investor	-	-	-	0.00	-	-	-	0.00
(e) Others	-	-	-	0.00	-	-	-	0.00
<b>Sub-Total A(2) :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>
<b>Total A=A(1)+A(2)</b>	<b>71,360,420</b>	<b>-</b>	<b>71,360,420</b>	<b>40.05</b>	<b>71,360,420</b>	<b>-</b>	<b>71,360,420</b>	<b>40.05</b>
<b>(B) PUBLIC SHAREHOLDING</b>								
(1) INSTITUTIONS								
(a) Mutual Funds / UTI	3,352,985	-	3,352,985	1.88	459,159	-	459,159	0.26
(b) Financial Institutions / Banks	1,894,529	-	1,894,529	1.06	1,900,609	-	1,900,609	1.07
(c) Central Government / State Government(s)	-	-	-	0.00	-	-	-	0.00
(d) Venture Capital Funds	-	-	-	0.00	-	-	-	0.00
(e) Insurance Companies	-	-	-	0.00	-	-	-	0.00
(f) Foreign Institutional Investors	29,900,930	-	29,900,930	16.78	37,270,927	-	37,270,927	20.92

CATEGORY OF SHAREHOLDER	No. of Shares held at the beginning of the year (01-04-2014)				No. of Shares held at the end of the year (31-03-2015)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(g) Foreign Venture Capital Investors	-	-	-	0.00	-	-	-	0.00	0.00
(h) Qualified Foreign Investor	1,105,883	-	1,105,883	0.62	-	-	-	0.00	-0.62
(i) Others	-	-	-	0.00	-	-	-	0.00	0.00
Sub-Total B(1) :	36,254,327	-	36,254,327	20.34	39,630,695	-	39,630,695	22.24	1.90
(2) NON-INSTITUTIONS									
(a) Bodies Corporate	17,822,578	-	17,822,578	10.00	15,405,839	-	15,405,839	8.65	-1.36
(b) Individuals	1,177,521	92,839	1,270,360	0.71	1,923,754	74,412	1,998,166	1.12	0.41
(i) Individuals holding nominal share capital upto Rs.1 lakh	9,320,888	137,790	9,458,678	5.31	8,451,474	137,790	8,589,264	4.82	-0.49
(ii) Individuals holding nominal share capital in excess of Rs.1 lakh									
(c) Others	40,848,110	-	40,848,110	22.92	40,848,110	-	40,848,110	22.92	0.00
FOREIGN BODIES	36,990	-	36,990	0.02	133,386	-	133,386	0.07	0.05
CLEARING MEMBERS	1,148,343	-	1,148,343	0.64	73,226	-	73,226	0.04	-0.60
NON RESIDENT INDIANS	-	-	-	0.00	160,700	-	160,700	0.09	0.09
TRUSTS									
Qualified Foreign Investor	70,354,430	230,629	70,585,059	39.61	66,996,489	212,202	67,208,691	37.72	-1.89
Sub-Total B(2) :	106,608,757	230,629	106,839,386	59.95	106,627,184	212,202	106,839,386	59.95	0.00
Total B=B(1)+B(2) :	177,969,177	230,629	178,199,806	100.00	177,987,604	212,202	178,199,806	100.00	0.00
Total (A+B) :									
Shares held by custodians, against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
(1) Promoter and Promoter Group	-	-	-	-	-	-	-	-	0.00
(2) Public	177,969,177	230,629	178,199,806	100.00	177,987,604	212,202	178,199,806	100.00	0.00
GRAND TOTAL (A+B+C) :									

## ATTACHMENT 3 TO ANNEXURE A

## Shareholding of Promoters

S. No.	Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	% change during the year
1	SAMEER MANCHANDA	46,654,550	26.18	Nil	46,654,550	26.18	Nil	Nil
2	LUCID SYSTEMS PRIVATE LIMITED	16,000,000	8.98	Nil	16,000,000	8.98	Nil	Nil
	<b>TOTAL</b>	<b>62,654,550</b>	<b>35.16</b>	<b>Nil</b>	<b>62,654,550</b>	<b>35.16</b>	<b>Nil</b>	<b>Nil</b>

There is no change in Promoters Shareholding.

## ATTACHMENT 4 TO ANNEXURE A

Shareholding Pattern of Top Ten Shareholders  
(other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Name of the shareholder	Shareholding				Cumulative shareholding during the year			
		No. of Shares held at the beginning (01-04-2014)/ at the end of the year (31-03-2015)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the company	
1	BROAD STREET INVESTMENTS (SINGAPORE) PTE. LTD	28,826,713	16.18	01-04-2014	Nil	No Change	28,826,713	16.18	
		28,826,713	16.18	31-03-2015	Nil	No Change	28,826,713	16.18	
2	STANDARD CHARTERED IL AND FS ASIA INFRASTRUCTURE G	5,840,009	3.28	01-04-2014	Nil	No Change	5,840,009	3.28	
		5,840,009	3.28	31-03-2015	Nil	No Change	5,840,009	3.28	
3	COLLEGE RETIREMENT EQUITIES FUND - STOCK ACCOUNT	4,190,747	1.13	01-04-2014	-	-	4,190,747	1.13	
				11-04-2014	(26,796)	Sale	4,163,951	2.34	
				16-05-2014	(460,100)	Sale	3,703,851	2.08	
				06-06-2014	7,242	Purchase	3,711,093	2.08	
				13-06-2014	(857,103)	Sale	2,853,990	1.60	
				22-08-2014	(181,462)	Sale	2,672,528	1.50	
				29-08-2014	(166,658)	Sale	2,505,870	1.41	
				05-09-2014	(42,956)	Sale	2,462,914	1.38	
				12-09-2014	(425,873)	Sale	2,037,041	1.14	
				30-09-2014	287,108	Purchase	2,324,149	1.30	
				31-10-2014	(101,426)	Sale	2,222,723	1.25	
				07-11-2014	(55,280)	Sale	2,167,443	1.22	
				14-11-2014	(214,965)	Sale	1,952,478	1.10	
				21-11-2014	(693,811)	Sale	1,258,667	0.71	
		28-11-2014	(567,315)	Sale	691,352	0.39			
		16-01-2015	(204,089)	Sale	487,263	0.27			
		23-01-2015	(77,847)	Sale	409,416	0.23			



S. No.	Name of the shareholder	Shareholding				Cumulative shareholding during the year		
		No. of Shares held at the beginning (01-04-2014)/ at the end of the year (31-03-2015)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
				30-01-2015	(53,362)	Sale	356,054	0.20
				06-02-2015	(319,805)	Sale	36,249	0.02
		36,249	0.02	31-03-2015	-	-	36,249	0.02
4	COLLEGE RETIREMENT EQUITIES FUND - GLOBAL EQUITIESACCOUNT	2,006,779	2.35	01-04-2014	-	-	2,006,779	2.35
				30-09-2014	(402,929)	Sale	1,603,850	0.90
				03-10-2014	(23,846)	Sale	1,580,004	0.89
				10-10-2014	(68,281)	Sale	1,511,723	0.85
				31-10-2014	(49,601)	Sale	1,462,122	0.82
				07-11-2014	(27,033)	Sale	1,435,089	0.81
				14-11-2014	(113,054)	Sale	1,322,035	0.74
				21-11-2014	(364,886)	Sale	957,149	0.54
				28-11-2014	(537,469)	Sale	419,680	0.24
				05-12-2014	(97,149)	Sale	322,531	0.18
		322,531	0.10	31-03-2015	-	-	322,531	0.10
5	INDUS CAPITAL ADVISORS (UK) LLP A/C INDUS INDIA FUND (MAURITIUS) LIMITED	2,802,075	1.57	01-04-2014	-	-	2,802,075	1.57
				06-06-2014	(857,000)	Sale	1,945,075	1.09
				12-09-2014	(3,517)	Sale	1,941,558	1.09
				19-09-2014	(1,169,572)	Sale	771,986	0.43
				10-10-2014	(771,986)	Sale	-	-
		Nil	-	31-03-2015	-	-	Nil	-
6	ACACIA PARTNERS, LP	417,153	0.23	01-04-2014	-	-	417,153	0.23
				18-04-2014	(225,000)	Sale	192,153	0.11
				09-05-2014	211,869	Purchase	404,022	0.23
				16-05-2014	139,977	Purchase	543,999	0.31
				23-05-2014	298,000	Purchase	841,999	0.47
				19-09-2014	1,318,001	Purchase	2,160,000	1.21
				17-10-2014	1,060,737	Purchase	3,220,737	1.81
				24-10-2014	19,263	Purchase	3,240,000	1.82
				09-01-2015	720,000	Purchase	3,960,000	2.22
		3,960,000	2.22	31-03-2015	-	-	3,960,000	2.22
7	ROUTE ONE INVESTMENT COMPANY, L.P. A/C ROUTE ONE FUND I, L.P.	2,140,175	1.20	01-04-2014	-	-	2,140,175	1.20
				10-10-2014	59,212	Purchase	2,199,387	1.23
				31-10-2014	54,147	Purchase	2,253,534	1.26
				21-11-2014	521,400	Purchase	2,774,934	1.56
				28-11-2014	417,120	Purchase	3,192,054	1.79
				05-12-2014	(128,285)	Sale	3,063,769	1.72
				19-12-2014	(3,063,769)	Sale	-	-
		Nil	-	31-03-2015	-	-	-	-
8	BARON EMERGING MARKETS FUND	1,700,061	0.95	01-04-2014	-	-	1,700,061	0.95
				16-05-2014	100,000	Purchase	1,800,061	1.01
				30-05-2014	200,000	Purchase	2,000,061	1.12
				06-06-2014	75,000	Purchase	2,075,061	1.16
				13-06-2014	123,939	Purchase	2,199,000	1.23
				20-06-2014	34,782	Purchase	2,233,782	1.25

S. No.	Name of the shareholder	Shareholding				Cumulative shareholding during the year		
		No. of Shares held at the beginning (01-04-2014)/ at the end of the year (31-03-2015)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
				30-06-2014	131,218	Purchase	2,365,000	1.33
				04-07-2014	89,000	Purchase	2,454,000	1.38
				25-07-2014	100,000	Purchase	2,554,000	1.43
				29-08-2014	418,679	Purchase	2,972,679	1.67
				28-11-2014	200,000	Purchase	3,172,679	1.78
				05-12-2014	266,960	Purchase	3,439,639	1.93
				12-12-2014	173,040	Purchase	3,612,679	2.03
				19-12-2014	140,000	Purchase	3,752,679	2.11
		3,752,679	2.11	31-03-2015	-	-	3,752,679	2.11
9	THE SPRUCE HOUSE PARTNERSHIP LP	1,105,883.00	0.62	01-04-2014	-	-	1,105,883	0.62
				04-04-2014	713,410	Purchase	1,819,293	1.02
				11-04-2014	125,100	Purchase	1,944,393	1.09
				17-10-2014	1,424,238	Purchase	3,368,631	1.89
				24-10-2014	21,820	Purchase	3,390,451	1.90
				31-10-2014	320,000	Purchase	3,710,451	2.08
		3,710,451	2.08	31-03-2015	-	-	3,710,451	2.08
10	EMERGING INDIA FOCUS FUNDS	2,449,651	1.37	01-04-2014	-	-	2,449,651	1.37
				09-05-2014	176,000	Purchase	2,625,651	1.47
				16-05-2014	514,000	Purchase	3,139,651	1.76
				11-07-2014	75,000	Purchase	3,214,651	1.80
				19-09-2014	50,000	Purchase	3,264,651	1.83
				30-09-2014	210,434	Purchase	3,475,085	1.95
				17-10-2014	(61,093)	Sale	3,413,992	1.92
				31-10-2014	1,100	Purchase	3,415,092	1.92
				05-12-2014	(75,441)	Sale	3,339,651	1.87
		3,339,651	1.87	31-03-2015	-	-	3,339,651	1.87
11	ACACIA INSTITUTIONAL PARTNERS, LP	278,092	0.16	01-04-2014	-	-	278,092	0.16
				25-04-2014	(19,000)	Sale	259,092	0.15
				09-05-2014	10,256	Purchase	269,348	0.15
				16-05-2014	187,652	Purchase	457,000	0.26
				23-05-2014	167,000	Purchase	624,000	0.35
				19-09-2014	936,000	Purchase	1,560,000	0.88
				17-10-2014	1,140,000	Purchase	2,700,000	1.52
				09-01-2015	600,000	Purchase	3,300,000	1.85
		3,300,000	1.85	31-03-2015	-	-	3,300,000	1.85
12	ROUTE ONE FUND I, L.P.	-	-	01-04-2014	-	-	-	-
				19-12-2014	2,906,830	Purchase	2,906,830	1.63
				09-01-2015	21,325	Purchase	2,928,155	1.64
				06-02-2015	35,958	Purchase	2,964,113	1.66
				20-02-2015	190,820	Purchase	3,154,933	1.77
		3,154,933	1.77	31-03-2015	-	-	3,154,933	1.77
13	ROUTE ONE OFFSHORE MASTER FUND L.P.	-	-	01-04-2014	-	-	-	-
				19-12-2014	2,906,830	Purchase	2,906,830	1.63
				09-01-2015	21,325	Purchase	2,928,155	1.64
				06-02-2015	35,958	Purchase	2,964,113	1.66
				20-02-2015	190,820	Purchase	3,154,933	1.77
		3,154,933	1.77	31-03-2015	-	-	3,154,933	1.77

S. No.	Name of the shareholder	Shareholding				Cumulative shareholding during the year		
		No. of Shares held at the beginning (01-04-2014)/ at the end of the year (31-03-2015)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the company
14	MBD BRIDGE STREET 2013 INVESTMENTS (SINGAPORE) PTE	2,882,671	1.62	01-04-2014	Nil	No Change	2,882,671	1.62
		2,882,671	1.62	31-03-2015	Nil	No Change	2,882,671	1.62
15	TARA INDIA HOLDINGS A LTD	2,748,253	1.54	01-04-2014	Nil	No Change	2,748,253	1.54
		2,748,253	1.54	31-03-2015	Nil	No Change	2,748,253	1.54
16	IL AND FSTRUST COMPANY LIMITED	2,326,051	1.31	01-04-2014	Nil	No Change	2,326,051	1.31
		2,326,051	1.31	31-03-2015	Nil	No Change	2,326,051	1.31

### ATTACHMENT 5 TO ANNEXURE A

#### Shareholding of Directors and Key Managerial Personnel

S. No.	Name and Designation of Directors and KMPs	Shareholding at the beginning of the year (01-04-2014)		Shareholding at the end of the year (31-03-2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Sameer Manchanda, Chairman Managing Director	4,66,54,550	26.180	4,66,54,550	26.180
2	Ajaya Chand- Non Executive Independent Director	64,420	0.040	64,420	0.040
3	Shahzaad S Dalal- Non Executive Director	20,000	0.010	20,000	0.010
4	Krishna Kumar- Non Executive Director	7,720	0.004	7,720	0.004
5	Manish Dawar- Group Chief Financial Officer	-	-	13,354	0.010
6	Jatin Mahajan, Company Secretary	6,188	0.004	Nil	Nil

### ATTACHMENT 6 TO ANNEXURE A

#### Indebtedness

#### Indebtedness of the Company including interest outstanding/ accrued but not due for payment.

(Rs. in Millions)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	9,732.5	7.7	-	9,740.2
ii) Interest due but not paid	-	0.6	-	0.6
iii) Interest accrued but not due	52.3	-	-	52.3
<b>Total (i+ii+iii)</b>	<b>9,784.9</b>	<b>8.3</b>	<b>-</b>	<b>9,793.2</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	1,515.6	12.4	-	1,528.0

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Reduction	1,970.2	2.6	-	1,972.8
<b>Net Change</b>	<b>(454.6)</b>	<b>9.8</b>	<b>-</b>	<b>(444.8)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	9,288.3	5.1	-	9,293.4
ii) Interest due but not paid	-	13.1	-	13.1
iii) Interest accrued but not due	41.9	-	-	41.9
<b>Total (i+ii+iii)</b>	<b>9,330.2</b>	<b>18.2</b>	<b>-</b>	<b>9,348.4</b>

### ATTACHMENT 7 TO ANNEXURE A

#### Remuneration to MD, WTD and/or Manager

S.No.	Particulars of Remuneration	CMD- Sameer Manchanda
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,60,39,813
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	.....
2	<b>Stock Options</b>	.....
3	<b>Sweat Equity</b>	.....
4	<b>Commission</b> - as % of profit - others-specify	.....
5	<b>Others, please specify</b>	.....
	<b>Total</b>	2,60,79,413
	<b>Ceiling as per the Act</b>	As per approval of the Central Govt.

### ATTACHMENT 8 TO ANNEXURE A

#### Remuneration to other Directors

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Ajaya Chand	Robindra Sharma	Atul Sharma	
1	Independent Directors				
	Fee for attending Board Committee meetings	3,70,000	3,40,000	50,000	7,60,000
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>3,70,000</b>	<b>3,40,000</b>	<b>50,000</b>	<b>7,60,000</b>
2	Other Non-Executive Directors	Ankur Sahu	Vishal Bakshi	Krishna Kumar (Alternate Director)	
	Fee for attending Board Committee meetings	60,000	1,00,000	2,90,000	4,50,000
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	60,000	1,00,000	2,90,000	4,50,000
	<b>Total =(1)+(2)</b>				<b>12,10,000</b>
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.

**ATTACHMENT 9 TO ANNEXURE A**

**Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO*	Group CFO*	CS	
1	Gross salary	Pradeep Parameswaran	Manish Dawar	Jatin Mahajan	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	83,87,600	65,35,716	12,94,059	1,62,17,375
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	13,500	13,500
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>83,87,600</b>	<b>65,35,716</b>	<b>13,07,559</b>	<b>1,62,30,875</b>

\*Appointed during the financial year 2014-2015.

**ATTACHMENT 10 TO ANNEXURE A - NIL**

**Penalties / Punishment / Compounding of Offences**

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

# "ANNEXURE B"

## FORM NO. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration) Rules, 2014]

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2015

To,

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Following are the other Acts applicable on the Company:
  - (a) Maternity Benefit Act, 1961 and rules framed thereunder;
  - (b) Employee Provident Fund Act and Miscellaneous Provisions Act, 1952 and rules framed thereunder;
  - (c) Employee State Insurance Act, 1948 and rules framed thereunder;
  - (d) The Delhi Shops and Establishments Act, 1954 and rules framed thereunder;
  - (e) The Payment of Gratuity Act, 1972 and rules framed thereunder;
  - (f) Payment of Bonus Act, 1965 and rules framed thereunder;
  - (g) Cable Television Network (Regulation) Act, 1995 and rules framed thereunder;
  - (h) Equal Remuneration Act, 1976 and rules framed thereunder;
  - (i) Payment of Wages Act, 1936 and rules framed thereunder;
  - (j) Minimum Wages Act, 1938 and rules framed thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the National Stock Exchange & Bombay Stock Exchange.

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

1. The Board of Directors of the Company had approved the appointment of Ms. Nandita Agarwal Parker (“Women Director”) in Board Meeting dated August 13, 2014 subject to prior approval of Ministry of Information and Broadcasting (“MIB”) in terms of FDI Policy of Government of India dated April 17, 2014. The Company had filed the application with MIB on October 16, 2014. However, the approval of the MIB is awaited. Accordingly, Company does not have a Women Director as per Second Proviso to Section 149(1).

### We further report that

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

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

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

We further report that

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

**Place: New Delhi**

**Date: 11.05.2015**

For **NKJ & Associates**

Company Secretaries

Sd/-

**Neelesh Kr. Jain**

FCS No. : 5593

C P No. : 5233

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

### Annexure A

To,

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

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

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

**Place: New Delhi**

**Date: 11.05.2015**

For **NKJ & Associates**

Company Secretaries

Sd/-

**Neelesh Kr. Jain**

FCS No. : 5593

C P No. : 5233

## "ANNEXURE C"

### (DISCLOSURES PURSUANT TO SEBI (EMPLOYEE STOCK OPTION SCHEME AND EMPLOYEE STOCK PURCHASE SCHEME) GUIDELINES, 1999.)

#### DEN ESOP Scheme, 2010

S. No.	Particulars	Details																																																
1	Options Granted during the financial year 2014-15	16,80,000																																																
2	Exercise price	Rs. 160 Per Share																																																
3	Total No. of options in force	16,80,000																																																
4	Options Vested	30,76,195 (in previous financial years)																																																
5	Options Exercised	30,76,195 (in previous financial years)																																																
6	Total No. of Shares arising as a result of exercise of Options	30,76,195 (in previous financial years)																																																
7	Options Lapsed	4,57,931																																																
8	Variation in terms of Options	There is no variation in the terms of options																																																
9	Money realized by exercise of Options during the financial year 2014-15	Nil																																																
10	Total number of Options in force	16,80,000																																																
11	Employee wise details of Options granted during the financial year 2014-15 i) Senior Management Personnel ii) Any other employee who received a grant in any one year of Options amounting to 5% or more of Options granted during the year iii) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	16,80,000  Nil Nil																																																
12	Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 on 'Earning Per Share'.	(6.22)																																																
13	Computation of employee compensation cost and effect on profit and EPS a) Method of calculation of employee compensation cost b) Difference between the employee compensation cost so computed at (a) above and the employee compensation cost to P&L account if the Company has used the fair value of the option	Intrinsic value as per SEBI ESOP guidelines  Nil																																																
14	The impact of this difference on the profits and EPS of the Company: Profit after tax Less: Additional employees compensation cost based on the aforesaid difference Adjusted PAT Adjusted Basic EPS Adjusted Diluted EPS	(1108.07)  Nil (1108.07) (6.22) (6.22)																																																
15	Weighted average price and fair value of the stock options granted at price below the market price: Total Options granted during the year Weighted average exercise price (Rs.) Weighted average fair value (Rs.)	16,80,000 160/- per share 32.90 per share																																																
16	Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information:  Risk free rate of interest (%) Expected life of the option from the date of grant (in years) Expected volatility (%) Dividend yield (%)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: center;">14,80,000 options Vesting period- 4 years</th> <th colspan="4" style="text-align: center;">2,00,000 options Vesting Period- 4 years</th> </tr> <tr> <th style="text-align: center;">1 Yr</th> <th style="text-align: center;">2 Yr</th> <th style="text-align: center;">3 Yr</th> <th style="text-align: center;">4 Yr</th> <th style="text-align: center;">1 Yr</th> <th style="text-align: center;">2 Yr</th> <th style="text-align: center;">3 Yr</th> <th style="text-align: center;">4 Yr</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">7.93%</td> <td style="text-align: center;">7.88%</td> <td style="text-align: center;">7.85%</td> <td style="text-align: center;">7.81%</td> <td style="text-align: center;">8.05%</td> <td style="text-align: center;">7.99%</td> <td style="text-align: center;">7.94%</td> <td style="text-align: center;">7.90%</td> </tr> <tr> <td style="text-align: center;">1.50</td> <td style="text-align: center;">2.50</td> <td style="text-align: center;">3.50</td> <td style="text-align: center;">4.50</td> <td style="text-align: center;">1.50</td> <td style="text-align: center;">2.50</td> <td style="text-align: center;">3.50</td> <td style="text-align: center;">4.50</td> </tr> <tr> <td style="text-align: center;">48.00</td> <td style="text-align: center;">48.00</td> <td style="text-align: center;">48.00</td> <td style="text-align: center;">48.09</td> <td style="text-align: center;">48.09</td> <td style="text-align: center;">48.09</td> <td style="text-align: center;">48.09</td> <td style="text-align: center;">48.09</td> </tr> <tr> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> </tr> </tbody> </table>	14,80,000 options Vesting period- 4 years				2,00,000 options Vesting Period- 4 years				1 Yr	2 Yr	3 Yr	4 Yr	1 Yr	2 Yr	3 Yr	4 Yr	7.93%	7.88%	7.85%	7.81%	8.05%	7.99%	7.94%	7.90%	1.50	2.50	3.50	4.50	1.50	2.50	3.50	4.50	48.00	48.00	48.00	48.09	48.09	48.09	48.09	48.09	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
14,80,000 options Vesting period- 4 years				2,00,000 options Vesting Period- 4 years																																														
1 Yr	2 Yr	3 Yr	4 Yr	1 Yr	2 Yr	3 Yr	4 Yr																																											
7.93%	7.88%	7.85%	7.81%	8.05%	7.99%	7.94%	7.90%																																											
1.50	2.50	3.50	4.50	1.50	2.50	3.50	4.50																																											
48.00	48.00	48.00	48.09	48.09	48.09	48.09	48.09																																											
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil																																											



**DEN ESOP Plan B, 2014**

S. No.	Particulars	Details
1	Options Granted during the financial year 2014-15	44,50,000
2	Exercise price	Rs. 160 Per Share
3	Total no. of options in force	44,50,000
4	Options Vested	Nil
5	Options Exercised	Nil
6	Total No. of Shares arising as a result of exercise of Options	Nil
7	Options Lapsed	Nil
8	Variation in terms of Options	There is no variation in the terms of options
9	Money realized by exercise of Options	Nil
10	Total number of Options in force	44,50,000
11	Employee wise details of Options granted during the financial year 2014-15 i) Senior Management Personnel ii) Any other employee who received a grant in any one year of Options amounting to 5% or more of Options granted during the year iii) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	44,50,000 Nil Nil
12	Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 on 'Earning Per Share'.	(6.22)
13	Computation of employee compensation cost and effect on profit and EPS a) Method of calculation of employee compensation cost b) Difference between the employee compensation cost so computed at (a) above and the employee compensation cost to P&L account if the Company has used the fair value of the option	Intrinsic value as per SEBI ESOP guidelines Nil
14	The impact of this difference on the profits and EPS of the Company: Profit after tax Less: Additional employees compensation cost based on the aforesaid difference Adjusted PAT Adjusted Basic EPS Adjusted Diluted EPS	(1108.07) Nil (1108.07) (6.22) (6.22)
15	Weighted average price and fair value of the stock options granted at price below the market price: Total Options granted during the year Weighted average exercise price (Rs.) Weighted average fair value (Rs.)	44,50,000 160 Per Share 32.90 Per Share

S. No.	Particulars	Details							
16	Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information:  Risk free rate of interest (%) Expected life of the option from the date of grant (in years) Expected volatility (%) Expected Dividend yield (%)    Risk free rate of interest (%) Expected life of the option from the date of grant (in years) Expected volatility (%) Expected Dividend yield (%)	<b>28,00,000 options</b> Vesting period- 4 years Grant Date- 16-01-2015				<b>8,00,000 options</b> Vesting Period 4 years Grant Date- 02-02-2015			
		<b>1 Yr</b>	<b>2 Yr</b>	<b>3 Yr</b>	<b>4 Yr</b>	<b>1 Yr</b>	<b>2 Yr</b>	<b>3 Yr</b>	<b>4 Yr</b>
		7.79	7.78	7.77	7.76	7.69	7.69	7.69	7.70
		1.5	2.5	3.5	4.5	1.5	2.5	3.5	4.5
		47.65	47.65	47.65	47.65	47.39	47.39	47.39	47.39
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		<b>8,00,000 options</b> Vesting period- 4 years Grant Date- 10-02-2015				<b>50,000 options</b> Vesting Period 4 years Grant Date- 13-02-2015			
		<b>1 Yr</b>	<b>2 Yr</b>	<b>3 Yr</b>	<b>4 Yr</b>	<b>1 Yr</b>	<b>2 Yr</b>	<b>3 Yr</b>	<b>4 Yr</b>
		7.85	7.83	7.80	7.78	7.93	7.88	7.85	7.81
		1.5	2.5	3.5	4.5	1.5	2.5	3.5	4.5
		47.70	47.70	47.70	47.70	48.00	48.00	48.00	48.00
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

# “ANNEXURE D”

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

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

**CSR policy is stated herein below:**

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

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

**Web Link:** [http://www.dennetworks.com/corporate\\_gov.htm](http://www.dennetworks.com/corporate_gov.htm)

2. **Composition of CSR Committee**

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

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

Average net profit: Rs.27.96 Crores

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

Rs. 56 Lakhs (approx.)

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

The company is required to spend Rs. 56 Lakhs (approx.)

6. **Details of CSR spend for the financial year**

a) Total amount spent for the financial year : Rs. 41.81 Lakhs

b) Amount unspent if any : Rs. 14.19 Lakhs (approx.)

c) Manner in which the amount spent during the financial year is detailed below:

(Rs. in Lakhs)

S. No.	Projects/activities	Sector	Locations	Amount outlay project	Amount spent on the project	Cumulative Amount	Amount spent: direct/through agency
1	Activities for grassroots development of football	Sports	National Capital Region and other cities	40.00	39.81	39.81	Through Agency*
2	Rotary 3010 Charitable Foundation	Donation towards the corpus fund for community service	-	2.00	2.00	2.00	Direct
<b>TOTAL</b>				<b>42.00</b>	<b>41.81</b>	<b>41.81</b>	

\* Details of implementing agency : Talent Invigoration and Sports Management Private Limited

# MANAGEMENT DISCUSSION & ANALYSIS

## INDIAN MEDIA AND ENTERTAINMENT INDUSTRY

2014 has been a turning point for the Indian Media and Entertainment industry in many ways. With the current's government optimistic outlook, business sentiments have been positive and strengthened by a number of growth promoting policy initiatives taken in recent months. One of the key highlights of 2014 was announcement of 'Digital India' program by the government – A program to transform India into a digitally empowered society and knowledge economy. The building blocks for future growth have been put in place in 2014 by offerings such as new spectrum for mobile, ongoing digitisation in cable, focus on providing fast internet and Phase III auctions for radio. 2015-2016 is expected to be a defining year for media and entertainment industry in India.

- As per KPMG analysis domestic Media and Entertainment Industry is expected to grow from INR1,026 billion in 2014 to reach INR1,964 billion, at a 14% CAGR over FY14-19 period.
- As per MPA analysis, total pay-TV subscribers are expected to reach 165 million by end of 2018 and 180 million by end of 2023.
- As per MPA analysis, broadband internet subscribers are expected to reach 57 million by end 2023 from 15 million in 2013; and fixed broadband subscribers are expected to grow to 20 million from 14 million in the same period

### Digital India – Broadband Opportunity for Cable MSOs

In 2014 India topped as the world's fastest growing smartphone market. Fuelled by the availability of low-cost smartphones and dropping data plan tariff the absolute number of internet connections is at a record high, but overall internet penetration stands at about 12%, which is still lower compared to internet penetration across other countries. (Singapore 81%, Hong Kong 80%, Russia 62%, Brazil 52%, Mexico 43%, World Average 39%).

India ranks poorly at #125 with just about 1% fixed broadband internet penetration (compared to 10% globally, 9% in Brazil, 15% in Russia, 32% in Hong Kong, 26% in Singapore) and internet users are predominantly on low speed network (<512 KBPs). India's poor rankings in world of fixed internet, poor penetration ratio and low speed internet offerings provide huge growth opportunities for cable MSOs.

Cable or the wired platform has the capacity to provide double-play services of video and high-speed broadband internet. MSOs have started increasing their efforts on leveraging cable infrastructure to capitalize on the potential for broadband growth and opportunity. Of the 252 million internet connections in India, only 15 million are on wire-line out of which cable has ~5% share. Increased focus on broadband can tap significant latent demand in the home broadband segment for the MSOs.

Globally, DOCSIS is the predominant technology used for cable broadband and has higher speed and lower investment advantage over DSL. Currently, DSL is the primary technology in India, accounting for ~70% of fixed broadband connections in 2014. This could change significantly, if MSOs get their broadband plans effectively implemented, given that the last mile infrastructure is largely in place for cable broadband, while telecom companies have to invest heavily in fiber to be able to provide speeds comparable to that of cable broadband.

As per MPA analysis, cable's share of the fixed broadband market is expected to grow from 6% in 2013 to 13% by 2023.

### Digital India – Digitization Driving Transformation in the Cable Television Ecosystem

Television remains to be vital part of Indian Media and Entertainment (M&E) industry and constitutes around 45% of the M&E industry. India's television industry is at an important inflection point with digitalization, investment and consolidation set to boost value creation across the ecosystem, benefiting all stakeholders.

Indian cable industry is fragmented one with about 6,000 MSOs. However, the DAS implementation has led to start of an era of consolidation. Currently, the Top 5 MSOs control about 50% of the industry share. With phase 3 and 4 on cards, further consolidation is expected to happen in next 2 years following the global trends (top 5 players control 85% market in USA, top 4 control 80% in Taiwan, Liberty controls 95% in UK, top 3 control 63% in Japan)

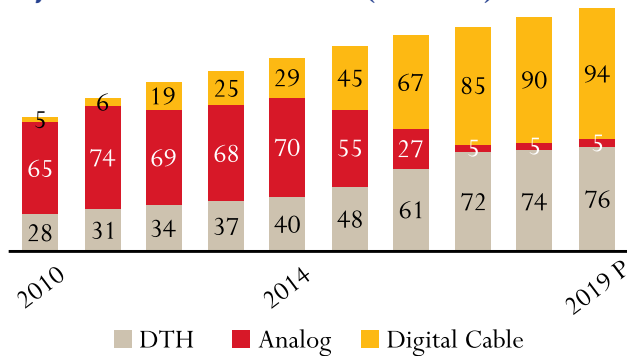
**Digitization was an important step in process of providing transparency in the television value chain and to facilitate better monetization:** The rollout of digital cable STBs in DAS Phase 1 and 2 markets were largely achieved in calendar year 2013. The Ministry of Information and Broadcasting extended the deadlines for DAS Phase 3 and 4 implementations from the earlier combined deadline of December 2014 to December 2015 and December 2016 respectively. The deadline extension has provided enough time for MSOs and LCOs to streamline DAS phase 1 and 2 and to roll out the implementation of STBs in DAS phase 3 and 4 markets including STBs procurement, setting up digital headends, signing of agreements with broadcasters, and implementing channel packages. The fiscal year 2014-15 witnessed the completion of KYC form and consumer data for B2C billing readiness billing, thereby moving to sharing of subscription revenues among the television value chain.

**HD to Contribute in Subscription Revenue Growth:** The pay-TV subscription revenues are expected to grow at a 2013-2018 CAGR of 11% with packages roll out across pay-TV platforms. The demand for HD channels and ad-free premium HD channels are also expected to contribute to growth in subscription revenues. Currently, there are about 50 HD channels available in India. Of the 8 million panel televisions sold in India in 2014, approximately 50% were HD

TVs and the number os expected to increase to 80% by 2019. Moreover, the fact that DTH and cable operators are more than happy to increase their HD bouquet, the growth story for HD viewing and consumption in India has only just begun.

**Digital cable subscribers are expected to reach to 904 million by end of 2019, up from 29 million at end of 2014.** The major increase will take place at end of 2015 and 2016 when phase 3 and 4 gets implemented respectively. Also, the penetration of digital cable subscribers in total Pay TV Subscribers is expected to go to 54% by end of 2019 form 19% in 2013.

**PayTV Subscribers in India (Millions)**



**Transformation in MSO Operations – On a Journey to shift to B2C from B2B**

With rescheduling of digitization in DAS Phase 3 and 4 markets, MSOs have spent considerable part of FY'14 in stabilizing their operations in DAS phase 1 and 2 markets, increasing revenues and realizations, and strengthening the relationships with LCOs. Currently, the large national MSOs are in process of establishing internal processes in order to make a shift from B2B to B2C business. MSOs are investing in technology to improve addressability (to track addressable active STBs) and collections at LCO Level.

**TRAI on MSO and LCO Agreements**

TRAI has formally written to all MSOs, in May 2015, with a list of new rules to be followed strictly. The list of rules requires MSO and LCO to have clear written agreements in place and which conform to TRAI's interconnect agreements, with clear start and finish dates, revenue shares stated, settlement terms, processes for handling customer complaints, processes for inter-company disputes, and so forth. A copy of the agreement is required to be lodged with TRAI within 15 days and a receipt obtained. TRAI warns that its list of requirements must be observed, and signals cannot be delivered to LCOs without an agreement in place.

**DEN Networks Ltd. – A Brief**

DEN was established in 2007 to provide cable network and services to consumers across India and soon became one of the top cable MSOs in the country. On the journey to tap the opportunity in 'Home Entertainment' and to become a B2C powerhouse, DEN enhanced its product portfolio offering high speed Broadband services with a vision to provide bundle services to its customers. Recently the company has diversified itself into new businesses and forayed in Soccer and TV Commerce business.

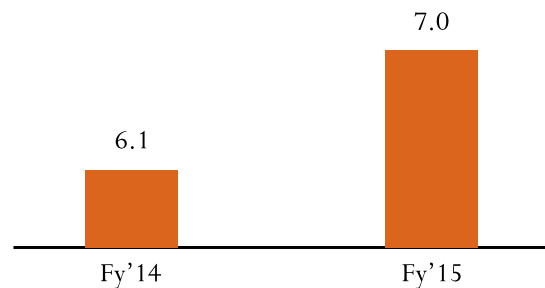
As your company, DEN, tries to transform into a B2C organization from B2B, the company has hired key managerial people in 2014-15 with backgrounds in TMT and consumer companies, marketing and consulting.

**Cable Business**

DEN Networks is India's largest cable TV distribution company serving 13 million homes in over 200 cities. The company has been a frontrunner in the digitization of Indian cable television and has over 7 million digital subscribers.

DEN's geographic footprint spans 13 key states across India including Delhi, Uttar Pradesh, Karnataka, Maharashtra, Gujarat, Rajasthan, Haryana, Kerala, West Bengal, Jharkhand, Madhya Pradesh, Uttarakhand and Bihar. The company has a significant presence in the strategic & economically important Hindi Speaking Markets (HSM) belt.

**Total Digital Subscribers (Million)**



DEN has an estimated analog base of 6 million homes in its Phase 3 & 4 markets which needs to be converted into digital. The Company is well positioned and capitalized to meet the deployment requirements of its existing subscriber base in these cities.

**BROADBAND BUSINESS–SUPERFAST DEN BOOMBAND**

DEN soft launched its super-fast cable broadband internet services on DOCSIS 3.0 technology in FY'14. The offering offers plans up to speeds of 100 Mbps. The service is currently available in parts of Delhi NCR.

DEN broadband services achieved 330,000 homes passed as on 31<sup>st</sup> March 2015. The benefit of conversions out of the network rollout will come in the following quarters. The company currently has a subscriber base of 23,000 at the end of FY'14-15 and about 40% of the new broadband subscribers come from Non-DEN homes.

**DEN SNAPDEAL TV SHOP – GIVING A NEW PERSPECTIVE TO TELEVISION COMMERCE**

DEN entered into a 50:50 JV with e-commerce major, SNAPDEAL and forayed into TV Commerce business leveraging DEN's strengths in distribution and media and SNAPDEAL's strength in brand, merchandising and logistics. The JV is currently converting +30% of the calls received and is clocking an annualized GMV of INR 115 Crores (at Mar'15 average booked GMV rate) within 2 quarter of beginning.

TV Commerce business has a reach of 25 million homes and shipping more than 1,300 orders per day (based on Mar'15 numbers).

## DELHI DYNAMOS FC; REDEFINING FOOTBALL CULTURE IN NORTH INDIA

DEN forayed into football business and bought Delhi Dynamos of ISL with the strategic intent of strengthening our consumer brand. Delhi Dynamos FC is one of the most popular teams of the ISL with a fan base of over 419,000 on Facebook and over 30,000 Twitter followers. With the introduction of Delhi Dynamos FC, DEN aims to become the default destination for entertainment, information and interactivity for the Indian family.

## SCOT ANALYSIS

### Strengths:

- Largest Cable MSO in India with more than 13 Million subscribers across 200 cities
  - Serving more than 7.7% of TV homes in India
  - Dominant Player in Key Phase 1 and 2 Markets with 25% market share (on basis of subscribers)
- Integrated service and product portfolio covering cable, data (broadband) and shopping (TV Commerce)
  - One Stop Shop for Home Entertainment
- Skilled workforce with an experienced management team

### Challenges

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

### Opportunities

- Phase 3 and 4 Digitization
  - With 6 Million Analog customers in phase 3 & 4 areas, have an excellent opportunity to convert them to digital customers making it the biggest digital subscribers MSO in India
- Increasing Cable TV Penetration
  - Digitization Changing the Cable Industry, Digital Cable Subscribers to Reach to 54% of the Total Cable Subscribers by end of 2019 from 19% in 2013
- Untapped fixed broadband market in India
  - Low Fixed Broadband Penetration in India (1% compared to 10% globally)
  - Target of achieving more than 1 Million Homes Passed by end of FY'16

### Threats

- Delay in Implementation of Phase 3 and 4
- Increasing Competition
  - New players entry in Cable services

- DTH Players to offer stiff competition in Phase 3 and 4 Markets
- Competition from Telecom Companies for Broadband Services
- Increase in content costs by Broadcasters

## RESULTS OF OPERATIONS

### Consolidated Financial Highlights

Consolidated revenues increased INR 13 Crore in the year to reach INR 1,130 Crore for the year ended 31<sup>st</sup> March 2015. On a like to like basis (i.e. excluding the LCO share) DEN recorded revenues of INR 1,067 Crore in FY14-15 vs INR 1,082 Crore in FY'14. The decline in revenues was primarily on account of discontinuation of distribution business by Media Pro (Joint Venture between Star DEN and Zee) in FY'15 where company generated revenues of INR 19 Crore in FY'15 compared to INR 57 Crore in the earlier year. The decline was partially offset by increased revenues from broadband and from new businesses including TV Commerce and Soccer. Consolidated EBITDA lowered to INR 92 Crore in FY'15 vs INR 302 Crore on account of 25% increase in content costs in cable business and due to investment phase in cable DAS 3 and 4 markets, broadband, and new businesses, soccer and TV commerce, resulting into losses. The decline in PBT was on account of lower EBITDA and increased depreciation costs, partially offset by increase in treasury income. Depreciation and Amortization costs were higher by INR 39 Crore or 26% over the last year costs of INR 147 Crore.

All these factors lead a net loss of INR -144 Crore vs INR 38 Crore in the earlier year. However, the company reported a positive Cash PAT (Net Income plus Depreciation) of INR 42 Crore in FY'15.

The capital expenditure for the full year FY'15 was INR 304 Crore including INR 244 Crore on cable business and INR 57 Crore on broadband business.

### Liquidity and Funding

As on 31<sup>st</sup> March 2015, the Company had cash and cash equivalents (including short term and liquid investments) of INR 934 Crore. During the year ended 31<sup>st</sup> March 2015, the Company generated operating cash flow of INR 61 Crore. The net debt as on 31<sup>st</sup> March 2015 was INR 62 Crore only. The company was graded in 'A' category for long term and A1 for short term with a 'Stable' outlook by the credit rating agency ICRA.

### Cable Business Financial Highlights

The year saw the delay in implementation of DAS Phase 3 and 4 to 31 December 2015 and 31 December 2016 respectively. However, continuing with plans to digitize the analog cable subscriber base, DEN seeded additional one million STBs in FY'14-15. This takes the digital subscribers base of the company to 7 million out of a total 13 million subscribers. The company also remained focused on improving subscription revenues and net realizations in DAS 1 and 2 cities which resulted in 33% increments in subscription revenues per box in DAS 1 and 2 Markets. The Blended Revenue per Box (Billing Less

Applicable Taxes) in DAS 1 and 2 markets increased from INR 58 in FY'14 to INR 77 in FY'15. By the end of the year, 9 cities of DAS markets generated net realization (Collection Less Taxes) of more than INR 80 per STB in Q4 FY'15 compared to 3 cities in year ago period.

Cable business revenues increased 3.5% in FY'15 to INR 1,093 Crore from INR 1,055 Crore in last year. On a like to like basis (excluding LCO Share) revenues increased by 0.9% in FY'15 to INR 1,030 Crore vs INR 1,021 Crore last year. Revenues excluding activation income and LCO Share increased 11.5% to INR 966 Crore in FY'15 from INR 866 Crore in FY'14. The increase was driven by 25% jump in subscription income in FY'15 to INR 459 Crore from INR 368 Crore in earlier year. Subscription income contributed 48% of total revenues (excluding activation) in FY'15 compared to 42% in FY'14. The detailed breakup of revenues is as below:

	FY'14	FY'15
Subscription*	368	459
Placement	465	474
Activation	155	64
Others	33	33

\*Excluding LCO Share

EBITDA for the cable business declined to INR 187 Crore in FY'15 compared to INR 301 Crore in earlier period due to 25% increase in content costs (CPS impact of Star and ZEE etc.) and increase in lease line costs, cable network and maintenance expenses and other operational cost due to investments in DAS phase 3 and 4 markets where the company will start generating money post sunset dates. The company witnessed EBITDA Margin (excluding activation) of ~20% in phase 1 and 2 markets despite a significant pressure on content cost from broadcasters.

## HUMAN RESOURCE MANAGEMENT

A pool of committed and motivated employees is the most important asset to an organization. Conforming to this, in the past year the company has seen rapid growth in terms of recruitments. Professionals from diverse fields including Technology, HR, Operations, and Finance, Accounting, Marketing, Research, Technical and Administrative functions are being recruited. DEN has adopted HR policies focused on the long term development and retention of its human capital keeping in mind the company's expanding scope of operations across the country.

## Recruitment

Vast growth in the cable business along with diversification of the company into new verticals; especially broadband has seen a huge demand for talented individuals in the organization. Along with retaining its current employees, the company undertook major recruitment drives taking the total employee count to over 1,000. Employees are recruited with a vision of creating synergy and ensuring great dynamics in the workplace.

## Training & Development

With the company's expanding scope of operations, training and development has an even more vital role to play. DEN continues its endeavor to enhance its human resource capability by investing heavily in skill development and training of its employees along with various employee engagement initiatives. The company has tied up with leading business schools in India for exclusive deals on higher education for DEN employees and their families.

## Rewards & Recognition

DEN has taken various initiatives to improve employee productivity and efficiency by providing enriched jobs, opportunities for career growth and other incentives. The company has a comprehensive remuneration policy that is competitive and in consonance with industry best practices. Rewards and Recognition programs like awarding the 'Star of the Month' to top performers ensures that employee morale and confidence remain high. The Company has a management system in place which aims to align the performance of its employees with the organization's objectives.

## Employee Engagement and Welfare Activities

DEN acknowledges the fact that the productivity of the company is directly proportional to the productivity of its employees and hence organizes a host of employee engagement events throughout the year. Annual excursions, weekly movie and puzzle contests, employee birthday bashes and elaborate celebrations on all festivals and occasions are organized

Apart from this, a comprehensive Employee Wellness Programs has been launched to raise awareness about common lifestyle problems, urban ailments and how to combat them in today's world. A different aspect of health is taken up every month. Partnerships with medical institutions, regular health camps and checkups are organized in working hours as a part of this initiative. A very good response has been received from employees and more many more such initiatives are planned in the months to come.

# REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) on Corporate Governance, the report contains the details of Corporate Governance Systems and processes at DEN Networks Limited (“DEN”).

## I COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At DEN, we believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. For DEN, Corporate Governance is an ethical driven business process that is committed to aim at enhancing an organization’s brand and reputation. DEN always seek to ensure that performance is driven by integrity. This is vital to gain and retain the trust of stakeholders, creditors, banks and all other counterparts.

The Securities and Exchange Board of India (SEBI) amended the Listing agreement effective October 1, 2014, to bring in additional corporate governance norms for the listed entities. These norms provide for stricter disclosures and protection of investor’s rights, including equitable treatment of minority and foreign shareholders.

The corporate governance framework also depends on the legal, regulatory, institutional and ethical environment of the community. Enlightened goal setting, effective decision-making and efficient monitoring forms the base for a system of good corporate governance. With the increasing complexity in business in today’s world, sound governance practices are becoming more and more essential in building and maintaining the trust of all stakeholders. Good corporate governance practices are also essential

for a sustainable business model for generating long term value for all its stakeholders.

The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue the highest standards of Corporate Governance in the overall interest of all its stakeholders.

## II BOARD OF DIRECTORS

### a. Composition of the Board of Directors

The Company’s Board is an optimum mix of executive, non-executive and independent directors constituted in conformity with the provisions of the Companies Act, 2013, FDI guidelines, Listing Agreement, terms of the Shareholders’ agreement and other statutory provisions. The size and composition of the Board of Directors confirms the requirement of the Listing Agreement. Presently the Board comprises of six (06) members, all of whom are Non-Executive Directors except Mr. Sameer Manchanda, Chairman Managing Director of the Company. More than one-half of the total numbers of Directors are Independent. None of the Directors are inter-se related to each other. The Board of Directors in its meeting dated August 13, 2014 had approved appointment of Ms. Nandita Agarwal Parker as Non Executive Independent Director(Woman Director) in the Company subject to prior approval of the Ministry of Information and Broadcasting (“MIB”) in terms of consolidated FDI Policy dated April 17, 2014 as amended from time to time. The approval of the MIB is awaited. The details of the Directors on the Board of the Company during the year ended March 31<sup>st</sup>, 2015 are set out in the table below:-

Name of Director	Category of Directorship	No. of outside Directorships Held	No. of Chairmanships / Memberships of other Board Committees	
			Chairmanship	Membership
Mr. Sameer Manchanda	Chairman & Managing Director	Nil	Nil	Nil
Mr. Shahzaad Siraj Dalal	Non Executive Nominee Director of IL&FS	5	Nil	1
Mr. Krishna Kumar Gangadharan	Alternate Director to Mr. Shahzaad Siraj Dalal	3	1	3 <sup>®</sup>
Mr. Ajaya Chand	Non Executive, Independent Director	Nil	Nil	Nil
Mr. Robindra Sharma	Non Executive, Independent Director	Nil	Nil	Nil
Mr. Atul Sharma	Non Executive, Independent Director	Nil	Nil	Nil
Mr. Ankur Ambika Sahu	Non Executive Nominee Director of Goldman Sachs	Nil	Nil	Nil
Mr. Vishal Kamalnain Bakshi*	Alternate Director to Mr. Ankur Ambika Sahu	Nil	Nil	Nil

\* vacated the office in terms of Section 161 w.e.f. February 13, 2015

<sup>®</sup> Membership in audit committees includes a company in which he acts as chairman of audit committee.



- a) For the purpose of considering the total number of directorships, all Public Limited Companies, whether listed or not, have been considered. Private Limited Companies whether subsidiary of a Public Limited Company or not, Directorship in DEN Networks Limited, Alternate Directorships, Foreign Companies and Companies under Section 8 of The Companies Act, 2013, have not been included.
- b) For the purpose of considering the total number of Memberships/ Chairmanships of Committee(s) only Audit Committees and Stakeholders’ Relationship Committees of all Public Limited Companies have been considered.
- c) None of the Directors is a Chairman / member in more than 5 / 10 committees across all Companies in which they are Directors.

**b. Board Meetings and Procedures**

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

At least four meetings of the Board are held every year generally after the end of each financial quarter. Besides this, the members of the Board meet to consider various matters as and when required. The Board also considers urgent matters, if required, by passing of resolutions by circulation.

The Company Secretary is responsible to provide the detailed information to all the Board members regarding matters to be considered at the Board meeting along with the Agenda thereof, in advance of the Board Meetings. The members of the Board have complete freedom to express their views on the matters discussed and thereafter the final decision is taken on the basis of consensus on each agenda item. Minutes of the proceedings of every Board meeting are recorded and are discussed before approval by members of the Board at the successive Board meeting, after which they are entered into the minute book. Implementation status of various decisions taken at the Board Meeting is reviewed in the successive meetings of the Board.

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

A total of 05 (five) meetings were held during the financial year 2014-15 on May 30, 2014, August 13, 2014, November 14, 2014, January 19, 2015 and February 13, 2015. The Seventh Annual General Meeting of the Company was held on September 25, 2014.

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

Name of Director	No. of Board Meetings attended	Attended last Annual General Meeting
Mr. Sameer Manchanda	05	Yes
Mr. Shahzaad Siraj Dalal	Nil	No
Mr. Krishna Kumar (Alternate Director to Mr. Shahzaad Siraj Dalal)	05	No
Mr. Ajaya Chand	05	Yes
Mr. Robindra Sharma	05	No
Mr. Atul Sharma	01	No
Mr. Ankur Ambika Sahu	01	No
Mr. Vishal Kamalnain Bakshi (Alternate Director for Mr. Ankur Ambika Sahu)*	02	No

\* vacated the office in terms of Section 161 w.e.f., February 13, 2015

**d. Appointment/Re-appointment of Directors**

Pursuant to the provisions of Sections 152 of the Companies Act, 2013, Sameer Manchanda, Chairman Managing Director shall retire by rotation at the forthcoming Annual General Meeting. As per Clause 49 of the Listing Agreement and the Companies Act, 2013, it would be necessary to have at-least one half of the total number of directors as independent directors. Further, the Companies Act, 2013 stipulates that an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall not be liable to retire by rotation.

The Board has recommended to the shareholders the appointment/re-appointment of the aforesaid director retiring by rotation, as in the opinion of the Board, he fulfills the conditions specified in this Act for holding of office of director. The detailed resume of the aforesaid proposed appointee who have offered himself for appointment/re-appointment is provided in the explanatory statement annexed to the notice of the Annual General Meeting.

**e. Approval of appointment of Woman Director during the financial year 2014-2015**

Ms. Nandita Agarwal Parker – Non Executive Independent Director

The Board of Directors in its meeting dated August 13, 2014 approved the appointment of Ms. Nandita Agarwal Parker, Woman Director in the Company subject to approval of the Ministry of Information and Broadcasting (“MIB”) in terms of consolidated FDI Policy dated April 17, 2014 as amended from time to time. The brief profile of Ms. Nandita Agarwal Parker is as follows:-

Ms. Nandita A. Parker is one of the pioneers of equities research in India. She is Portfolio Manager and CEO with 20 years of combined experience in emerging markets investing, asset management and equities research. She has demonstrated the ability to build and maximize the efforts of a research team utilizing the unparalleled domestic and international relationships that she developed over the span of her wall street and asset management career. She established and founded Karma Capital Management LLC, the first India-dedicated alternative investment platform in 2003. Spanning 3 decades, Nandita's professional experience includes Emerging Markets Portfolio Management roles at two U.S based hedge funds, and international equities research roles at American Century Investment Management, Inc. from 2004-2005, She was an Indian market strategist at Bear Stearns & Co. Inc. Nandita began her professional career as a U.S. Media/Entertainment analyst at Gerard Klauer Mattison & Co. Inc., in New York, from 1991 to 1994.

She is the founder of Asset Managers Roundtable of India (AMRI), an initiative which brings together members of the Investment industry of India to engage and work together with the government and the market regulators for Capital Market reforms. Ms. Parker has done MBA in Finance from the College of William & Mary (Williamsburg, Virginia), and a Bachelor of Arts in Economics with Honors from Delhi University.

#### f. Appointment of Whole Time Director during the financial year 2014-15

Mr. Mohammad Ghulam Azhar – Whole Time Director

The Board of Directors in its meeting dated February 13, 2015 and Shareholders of the Company through Postal Ballot dated June 23, 2015 have approved the appointment of Mr. Mohammad Ghulam Azhar as Whole Time Director in the Company subject to approval of the Ministry of Information and Broadcasting ("MIB") in terms of consolidated FDI Policy dated April 17, 2014 as amended from time to time. The brief profile of Mr. Mohammad Ghulam Azhar is as follows:-

Mr. Mohammad Ghulam Azhar holds a Masters degree in Finance and Control. He has over 18 years of vast experience in strategic and financial planning, fund raising, capital structuring and mergers & acquisitions. His experience in media sector operations has been instrumental in establishing DEN as one of the leading cable service provider in the country. He is one of the founding members of DEN and has played a key role in the Company since its inception. He is working as the Chief Operating Officer of DEN Networks Limited. He has been instrumental in developing the vision for DEN and has played an active part in devising and executing strategies for joint ventures ("JVs") mergers, acquisitions and for the overall growth

of the Company. He has also played a key role in several fund raising efforts including the DEN IPO, the first IPO in the Indian Cable TV industry.

#### g. Re-appointment of Director liable to retire by rotation

A brief description of the Director, whose candidature is proposed for re-appointment at the forthcoming Annual General Meeting, along with name of the Companies in which he holds directorships, memberships / chairmanships of Committees of Board and his shareholding in the Company as required under Clause 49 of the Listing Agreement is provided as below:

Mr. Sameer Manchanda, Chairman Managing Director

Mr. Sameer Manchanda has over 2 decades' experience in the Indian media industry and has played an active role in the evolution of the Indian television industry since 1984. His experience and expertise span all segments of the media industry including the fields of strategic & financial planning, media distribution, capital structuring, mergers & acquisitions, collaborations and joint ventures. He is a qualified Chartered Accountant & a Fellow member of the Institute of Chartered Accountants of India.

Mr. Sameer Manchanda has been associated with the Indian television industry since 1984 and is an acknowledged expert in various fields including strategic & financial planning, media distribution, capital structuring, mergers & acquisitions, collaborations and joint ventures. He was a co-founder of the erstwhile IBN18, home of leading television channels CNN IBN and IBN7 and was the Joint Managing Director of the Company from 2005 to 2010.

He was also a founding member of the News Broadcasters Association and served as its President in 2009 and 2010. The industry portal Indiantelevision.com has recognized him as a Top 10 executive of the Indian television industry for two successive years, 2008 and 2009.

#### h. Shareholding of Directors

Shareholding of the Directors of the Company as on March 31, 2015 is as under:-

Sl. No.	Name of Director	No. of shares held (face value Rs. 10/- each)
1	Mr. Sameer Manchanda	46,654,550
2	Mr. Shahzaad Siraj Dalal	20,000
3	Mr. Krishna Kumar*	7,720
4	Mr. Ajaya Chand	64,420
5	Mr. Robindra Sharma	Nil
6	Mr. Atul Sharma	Nil
7	Mr. Ankur Ambika Sahu	Nil

\*Alternate director to Mr. Shahzaad Siraj Dalal

### III. COMMITTEE(S) OF BOARD

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

#### 1. AUDIT COMMITTEE

##### (a) Composition

The Audit Committee of the Company is constituted in accordance with the provision of Clause 49 of Listing Agreement with the Stock Exchange(s) and the Companies Act, 2013. The Audit Committee comprises of the following Directors out of which two third are Independent Directors. The composition of the Audit Committee is as follows:

Name of Member	Category of Directorship	Position
Mr. Ajaya Chand	Non-Executive, Independent Director	Chairman
Mr. Robindra Sharma	Non-Executive Independent Director	Member
Mr. Shahzaad S Dalal	Non-Executive, Nominee Director	Member

All the members of the Audit Committee are financially literate and the Chairman of the Audit Committee is a financial expert. The Company Secretary of the Company acts as Secretary of the Committee.

##### (b) Brief description of terms of reference

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

- (a) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (b) Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- (c) Reviewing with the management and examination of the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report;
- (d) Reviewing with the management and examination of the quarterly financial statements before submission to the board for approval;
- (e) Approval or any subsequent modification of transactions of the company with related parties;
- (f) Scrutiny of inter-corporate loans and investments;
- (g) Valuation of undertakings or assets of the company, wherever it is necessary;
- (h) Evaluation of internal financial controls and risk management systems;
- (i) monitoring the end use of funds raised through public offers and related matters.
- (j) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- (k) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (l) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (o) Discussion with internal auditors of any significant findings and follow up there on;
- (p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- (q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (s) To review the functioning of the Whistle Blower mechanism;
- (t) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (u) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Committee invites such of the Board Members and senior management team, as it considers appropriate to be present at its meetings. The Statutory Auditors are also invited to these meetings. The Audit Committee reviews the reports of the Internal Auditors as and when required & discusses their findings, observations, suggestions, internal control systems, scope of audits and other related matters.

### (c) Number of meetings & attendance

During the year under review, Four (04) meetings were held during the financial year 2014-15 on May 30, 2014, August 13, 2014, November 14, 2014 and February 13, 2015. The details of attendance of members at the Committee Meetings are as under:

Name	Designation	No. of meetings attended
Mr. Ajaya Chand	Chairman of the Committee	04
Mr. Shahzaad S Dalal	Member of the Committee	0
Mr. Krishna Kumar (Alternate Director for Mr. Shahzaad Siraj Dalal)	Member of the Committee	04
Mr. Robindra Sharma	Member of the Committee	04

## 2. STAKEHOLDERS' RELATIONSHIP COMMITTEE

### (a) Composition

The Shareholders' Grievance Committee was renamed as Stakeholders' Relationship Committee vide resolution passed by the Board of Directors of the Company on May 30, 2014 in compliance with the provisions of the Companies Act 2013.

The Stakeholders' Relationship Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of

declared dividends etc. and take necessary steps for redressal thereof. The Committee is a Board level committee under the Chairmanship of Mr. Ajaya Chand, Non- Executive Independent Director. There was no meeting held during the year. The present composition of the Stakeholders' Relationship Committee is as under:-

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

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

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

The Committee specifically looks into the redressal of shareholders' / investors' complaints.

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

The Company received 149 correspondence(s) / complaints from the Shareholders during the period from April 1, 2014 to March 31, 2015 which were general in nature. All complaints were redressed / attended to the satisfaction of the shareholders effectively within the statutory time limit and no complaint was pending at the end of financial year March 31, 2015.

## 3. NOMINATION AND REMUNERATION/ COMPENSATION COMMITTEE

### (a) Composition

The Nomination and Remuneration/Compensation Committee comprises of four members. All the members of the Committee are Non-Executive Directors except Mr. Sameer Manchanda. The Chairman of the Committee is an Independent Director.

During the year under review, Three (03) meetings were held during the financial year 2014-15 on August 13, 2014, January 06, 2015 and February 13, 2015 in compliance with the provisions of the Companies Act, 2013.

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

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

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- To carry out evaluation of every Director’s performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance
- To administer, monitor and formulate detailed terms and conditions of the Employees’ Stock Option Scheme including:
  - the quantum of options to be granted under Employees’ Stock Option Scheme per employee and in aggregate;
  - the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
  - the exercise period within which the employee should exercise the option, and that the option would lapse on failure to exercise the option within the exercise period;
  - the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
  - the right of an employee to exercise all options vested in him at one time or various points of time within the exercise period;
  - the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others;
  - the granting, vesting and exercising of options in case of employees who are on long leave; and
  - the procedure for cashless exercise of options.
- To carry out any other function as is mandated by the Board from time to time and

/ or enforced by any statutory notification, amendment or modification, as may be applicable;

- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**(c) Number of Committee meetings & attendance**

The committee met 03 (three) time during the period under review. The detail of attendance of members at the Committee Meeting is as under:

S. No.	Name of Member	No. of meetings attended
1	Mr. Ajaya Chand	03
2	Mr. Sameer Manchanda	03
3	Mr. Robindra Sharma	03
4	Mr. Ankur Ambika Sahu	01

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

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

**Appointment and removal of Director, KMP(s) and Senior Management**

**Appointment criteria and qualification:**

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

**Term:**

The Term of the Directors including Managing / Wholetime Director / Independent Director shall be governed as per the provisions of the Companies Act, 2013(“Act”) and Rules made thereunder and the Clause 49, as amended from time to time. Whereas the term of the KMP (other than the Managing / Whole time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

**Evaluation:**

The Committee shall carry out evaluation of performance of every Director. The Committee shall

identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process. Framework for performance evaluation of Independent Directors and the Board is as per Policy framed for this purpose.

#### Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

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

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.

#### Remuneration to Non-executive / Independent Director:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

#### Compensation to the Members of the Board

During the financial year 2014-15, the company has not paid remuneration to any Director except Mr. Sameer Manchanda, Chairman Managing Director of the Company. The details of remuneration are mentioned below. The Non-Executive & Independent members of the Board are paid sitting fees for attending the meetings of the Board within the ceiling as provided under the Companies Act, 2013. Besides this Non-Executive

Directors do not have any other pecuniary relationship or transaction with the Company. The Company has no policy of advancing any loans to Directors.

S. No.	Particulars	Amount in millions (Rs.)
1.	Basic Salary	10.56
2.	House Rent Allowance	5.28
3.	Management Allowance	8.93
4.	Provident Fund	1.27
	Total	26.04

The shareholders of the Company by the resolution passed by postal ballot dated December 28, 2010 and subsequently revised by a resolution passed by postal ballot dated February 28, 2013, approved the terms of remuneration for Mr. Sameer Manchanda, Chairman Managing Director of the Company.

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

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

Name of Director	Sitting Fees of Board Meetings	Sitting Fees of Committee Meetings	Total Fees
Mr. Shahzaad Siraj Dalal	Nil	Nil	Nil
Mr. Krishna Kumar	2,50,000	40,000	2,90,000
Mr. Ankur A. Sahu	50,000	10,000	60,000
Mr. Vishal K. Bakshi	1,00,000	Nil	1,00,000
Mr. Ajaya Chand	2,50,000	1,20,000	3,70,000
Mr. Robindra Sharma	2,50,000	90,000	3,40,000
Mr. Atul Sharma	50,000	Nil	50,000
<b>Total</b>	<b>9,50,000</b>	<b>2,60,000</b>	<b>12,10,000</b>

## 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

### (a) Composition

The Corporate Social Responsibility Committee comprises of three members. All the members of the Committee are Non-Executive Directors except Mr. Sameer Manchanda. The Chairman of the Committee is an Independent Director.

The Corporate Social Responsibility Committee was constituted vide resolution passed by the Board of Directors of the Company on May 30, 2014 in compliance with Section 135 of the Companies Act, 2013.

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

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

The committee met one (01) time during the financial year 2014-15 on July 17, 2014. The details of attendance of members at the Committee Meetings are as under:

Name	Designation	No. of meetings attended
Mr. Ajaya Chand	Chairman of the Committee	01
Mr. Robindra Sharma	Member of the Committee	01
Mr. Sameer Manchanda	Member of the Committee	01

**(c) Terms of Reference of the Committee, inter alia, includes the following:**

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

**5. RISK MANAGEMENT COMMITTEE**

**(a) Composition**

The Risk Management Committee (RM Committee) was constituted by the Board on October 13, 2014 adhering to the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee comprises of the following Members:

Mr. Ajaya Chand	Non-Executive Independent Director
Mr. Ankur Ambika Sahu	Non-Executive Nominee Director
Mr. Robindra Sharma	Non-Executive Independent Director

and Chief Operating Officer and Chief Financial Officer.

**(b) Role and Responsibilities of the Committee includes the following:**

- Framing of Risk Management Plan and Policy

- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for risk minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function

**6. INDEPENDENT DIRECTORS COMMITTEE**

Independent Directors committee comprises of Mr. Ajaya Chand, Mr. Robindra Sharma and Mr. Atul Sharma as members. During the year under review, all the independent directors except Mr. Atul Sharma met on February 13, 2015, inter alia, to discuss following agendas.

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non- Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration/ Compensation Committee.

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

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year. The familiarization programme can be assessed at the web-site of the company's website at the link: [http://www.dennetworks.com/corporate\\_gov.htm](http://www.dennetworks.com/corporate_gov.htm).

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

- Finance Committee
- Securities Issue Committee

- 3 Routine Business Matters Committee
- 4 Whistle Blower Committee

#### IV. CODE OF CONDUCT

The Board had laid down a Code of Conduct for all the Directors and Senior Management (Executives) of the Company as required under Clause 49 (IIE) of the Listing Agreement. This Code is also posted on the Company website ([www.dennetworks.com](http://www.dennetworks.com)). All the Board Members and Senior Management Personnel to whom this Code of Conduct is applicable have affirmed compliance with the Code and a declaration of this affirmation from Chief Executive Officer of the Company forms a part of this report as Annexure – 'B'.

##### Code of Conduct for Prohibition of Insider Trading

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

##### Disclosures

- None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties as set out in the Notes on Accounts, forming part of this Annual Report.
- The Company has complied with all the requirements, as applicable to the Company, to the best of its knowledge and understanding, of the Listing Agreement with the Stock Exchange(s), the regulations and guidelines of the Securities and Exchange Board of India (SEBI). SEBI, Stock Exchange(s) or any other statutory authorities have imposed no penalties or strictures on matters relating to capital markets from the date of listing i.e. November 24, 2009.
- The Company has complied with all the mandatory requirements under Clause 49, as applicable.
- Management Discussion and Analysis Report is provided as a part of the Directors' Report published as the previous section in this Annual Report.
- In preparation of the financial statements, the Company has followed the Accounting Standards as issued by 'The Institute of the Chartered Accountants of India', to the extent applicable.
- Business Risk Evaluation and Management is an ongoing process within the Company. The objective of the Company's risk management practices is to identify the potential areas that may

affect the affairs of the Company and ensure the reasonable assurances to avoid any possible damage to the assets and properties of the Company.

- Chief Executive Officer and Chief Financial Officer have furnished to the Board, a certificate in respect of the financial statements and the Cash Flow Statement of the Company for the financial year ended March 31, 2015, which forms part of this report as Annexure – 'C'.

#### V. GENERAL BODY MEETINGS

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

Year	Location	Date	Day	Time
2011-12	Kamani Auditorium, 1 Copernicus Marg, Near Mandi House – New Delhi – 110001	September 27, 2012	Thursday	12.30 P.M.
2012-13	Sri Sathya Sai International Centre, Pragati Vihar, Institutional Area, Lodhi Road, New Delhi-110003	September 18, 2013	Wednesday	11.30 A.M.
2013-14	PHD Chamber of Commerce & Industry, 4/2, Siri Fort Institutional Area, August Kranti Marg, New Delhi-110016	September 25, 2014	Thursday	11.30 A.M.

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

1. At the AGM held on September 27, 2012:- There was no matter that required passing of a special resolution.
2. At the AGM held on September 18, 2013:- There was no matter that required passing of a special resolution.
3. At the AGM held on September 25, 2014:- There was no matter that required passing of a special resolution except alteration of Articles of Association.

##### Details of Special Resolution passed through Postal Ballot

During the financial year 2014-15, following special resolutions were passed by way of Postal Ballot for seeking approval of members for:

1. Authorization for borrowings under Section 180 (1) (c) of the Companies Act, 2013
2. Creation of charge on assets under Section 180 (1) (a) of the Companies Act, 2013



3. Alteration of Memorandum of Association in terms of Companies Act, 2013
4. Issue of Securities under Employee Stock Option Scheme (ESOS) through Purchase from Secondary Market
5. Issue of Securities under Employee Stock Option Scheme (ESOS) to the Employees and Directors of Subsidiary/Associate Company(ies) through Purchase from Secondary Market
6. Issue of more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through Purchase from Secondary Market
7. Issue of Securities under Employee Stock Option Scheme (ESOS) through issuance and allotment of new shares
8. Issue of Securities under Employee Stock Option Scheme (ESOS) to the Employees and Directors of Subsidiary/Associate Company(ies) through issuance and allotment of new shares
9. Issue of more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through issuance and allotment of new shares (Voting Pattern to be included)

The said resolutions were passed through Postal Ballot and Shareholders of the Company were provided e-Voting facility for casting their votes electronically on the said resolutions. Mr. Neelesh Kumar Jain, Practicing Company Secretary was appointed as Scrutinizer for the Postal Ballot Process by the Board of Directors. The special resolutions were passed with requisite majority details of which mentioned herein below:-

S. No.	Particulars	% voted in favor of resolution	% voted against the resolution
1	Authorization for borrowings under Section 180 (1) (c) of the Companies Act, 2013 (Special Resolution)	99.98	0.02
2	Creation of charge on assets under Section 180 (1) (a) of the Companies Act, 2013 (Special Resolution)	99.98	0.02
3	Alteration of Memorandum of Association in terms of Companies Act, 2013 (Special Resolution)	97.53	2.47
4	Issue of Securities under Employee Stock Option Scheme (ESOS) through Purchase from Secondary Market to employees of the Company (Special Resolution)	95.99	4.01
5	Issue of Securities under Employee Stock Option Scheme (ESOS) to the Employees and Directors of Subsidiary/Associate Company(ies) through Purchase from Secondary Market (Special Resolution)	95.99	4.01

6	Issue of more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through Purchase from Secondary Market (Special Resolution)	95.99	4.01
7	Issue of Securities under Employee Stock Option Scheme (ESOS) through issuance and allotment of new shares (Special Resolution)	95.86	4.14
8	Issue of Securities under Employee Stock Option Scheme (ESOS) to the Employees and Directors of Subsidiary/Associate Company(ies) through issuance and allotment of new shares (Special Resolution)	95.86	4.14
9	Issue of more than 1% Securities under Employee Stock Option Scheme (ESOS) to employees of the Company through issuance and allotment of new shares (Special Resolution)	95.86	4.14

The Company has passed following resolution since April 1, 2015 till the signing of Corporate Governance Report for the financial year 2014-2015, Four (04) Special Resolutions has been passed through postal ballot viz., Increase in Foreign Investment limits in the Company, Appointment of Mr. Mohammad Ghulam Azhar as Whole Time Director, Amendment to DEN ESOP Plan B-2014 under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue of securities to employees of the company and Amendment to DEN ESOP Plan B-2014 under Section 62 and other applicable provisions, if any of the Companies Act, 2013, to issue of securities to employees and directors of the subsidiary companies and the Board propose re-appointment of Mr. Sameer Manchanda as Chairman Managing Director, which shall require shareholders approval through e-voting/postal ballot.

## VI. DISCLOSURES

### (i) Materially significant related party transactions that may have potential conflict with the interests of the Company at large:

None of the transactions with any of the related parties i.e. transactions of the Company of material nature, with its Promoters, the Directors and the management, their relatives or subsidiaries, etc. were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes of the Standalone Financial Statements, forming part of

the Annual Report. The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization, the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arm's length basis and are intended to further serve the interests of the Company.

**(ii) Non Compliance**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years except issuance of consent order dated March 11, 2013 by SEBI for settlement of the adjudication proceedings and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or any other statutory authority.

**(iii) Constitution of Whistle Blower Mechanism**

The Company has framed a Whistle Blower Policy which was approved by the Board of Directors on May 30, 2014. The Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

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

The Company has fully complied with the mandatory requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges and have also adopted non mandatory requirements.

## VII MEANS OF COMMUNICATION

- Quarterly financial results and audited Annual financial results are published regularly within the prescribed time limit in 'Business Standard' (English and Hindi editions).
- In compliance with the Listing Agreement, the Company promptly submits the financial results and other business updates to the Stock Exchange(s) to enable them to display these on their websites.
- The Financial results and other shareholders information(s) is also displayed on the Company's website ([www.dennetworks.com](http://www.dennetworks.com))

- The Company has an exclusive e-mail id :- [investorrelations@denonline.in](mailto:investorrelations@denonline.in) dedicated for prompt redressal of shareholders' queries, grievances etc.,
- The Company holds analyst call in each quarter, to apprise and make public the information relating to the Company's working and future outlook.

## VIII. GENERAL SHAREHOLDERS INFORMATION

### Annual General Meeting

Day & Date	Tuesday, 29 <sup>th</sup> September, 2015
Time	11.30 A.M
Venue	Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi 110001, Delhi

### Financial Calendar:

[Tentative and subject to change]

Financial Reporting for the 1 <sup>st</sup> Quarter ending June 30 <sup>th</sup> , 2015.	Within first 14 days of August, 2015
Financial Reporting for the 2 <sup>nd</sup> Quarter ending September 30 <sup>th</sup> , 2015.	Within first 14 days of November, 2015.
Financial Reporting for the 3 <sup>rd</sup> Quarter ending December 31 <sup>st</sup> , 2015.	Within first 14 days of February, 2016.
Financial Reporting for the last Quarter ending March 31 <sup>st</sup> , 2016.	Within 30 days of May 2016, in case of Audited Annual Financial Results.

### Date of Book Closure

22<sup>nd</sup> September, 2015 to 26<sup>th</sup> September 2015 (both days inclusive)

### Listing on Stock Exchange(s) and Stock Code(s)

The Equity shares of the Company are listed on BSE Limited (BSE) under scrip code 533137 and on National Stock Exchange of India Limited (NSE) with scrip code 'DEN'.

The Annual Listing fee for 2015-16 has been paid to the aforesaid Stock Exchange(s) within the stipulated time period.

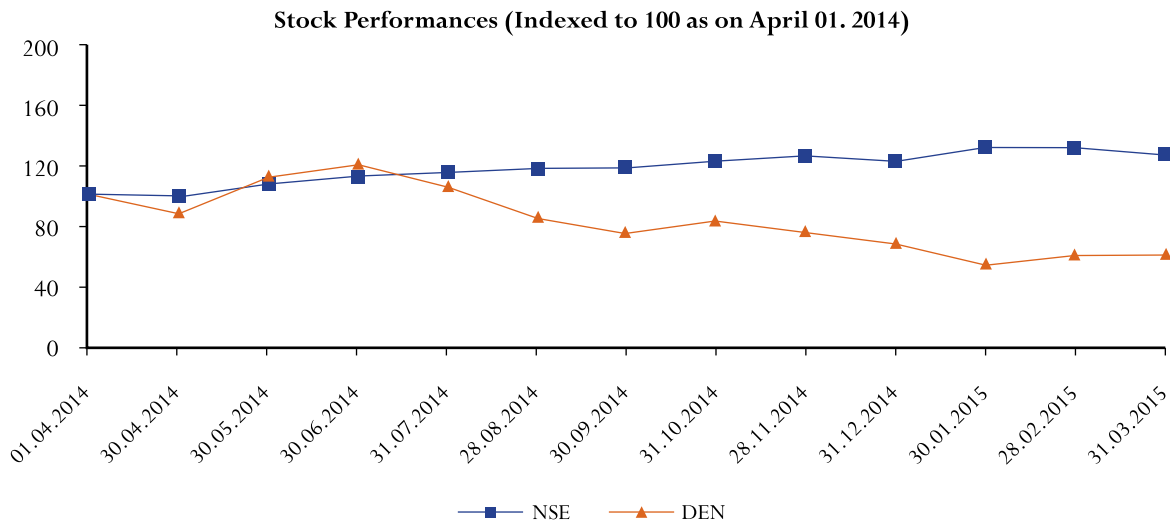
The International Securities Identification Number (ISIN) allotted to the Company's share under the Depository System is INE947J01015.

### Market Price Data

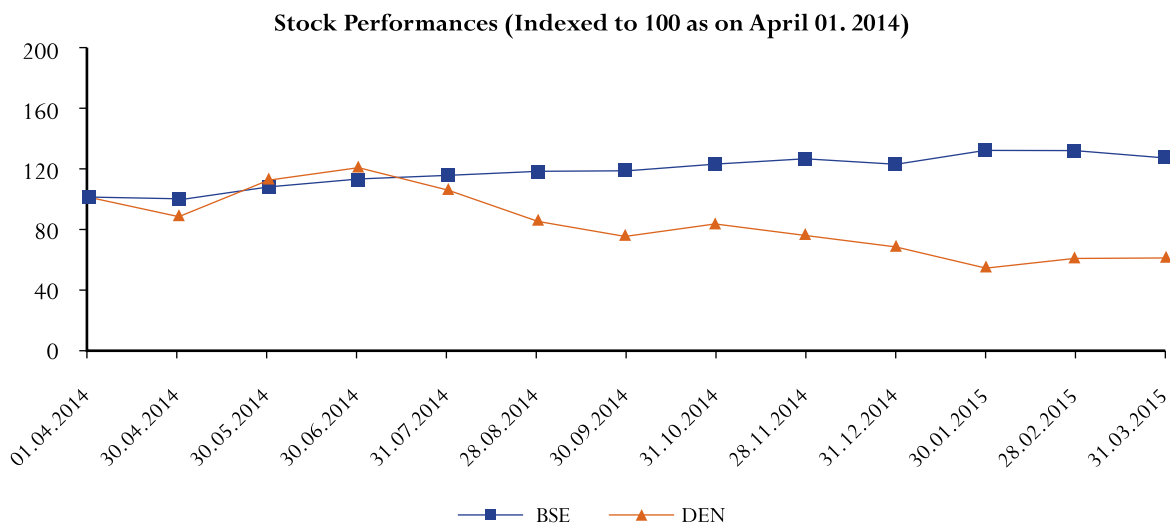
Equity Shares of the Company are listed and traded on BSE and NSE and the High/ Low rates of the shares of the Company during the year, ended on March 31, 2015 are as follows:

Month	NSE (in Rs. Per share)		BSE (in Rs. Per share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
Apr-14	201.00	170.25	201.00	170.65
May-14	226.80	168.00	227.00	168.00
Jun-14	243.00	209.45	242.20	207.95
July-14	246.50	196.70	246.15	198.90
Aug-14	213.90	144.00	213.00	145.40
Sep-14	182.90	143.00	182.90	143.00
Oct-14	188.50	126.00	188.75	126.00
Nov-14	167.30	140.00	167.60	140.55
Dec-14	166.05	128.70	165.70	130.00
Jan-15	149.00	104.70	148.30	104.80
Feb-15	132.70	100.25	132.75	100.10
Mar-15	127.85	110.80	128.30	111.00

**Stock Performance in Comparison with NSE CNX Nifty**



**Stock performance in Comparison with BSE SENSEX**



**Address of the Registrar & Share Transfer Agent:**

M/s. Karvy Computershare Private Limited  
 Karvy House, 46 Avenue 4, Street No. 1,  
 Banjara Hills, Hyderabad- 500 034  
 Ph # (+ 91 40) 2342 0815  
 Fax # (+91 40) 2342 0814  
 Email: einward.ris@karvy.com

**Name and designation of Compliance Officer**

Jatin Mahajan  
 Compliance Officer & Company Secretary  
 Ph # (+91 –011 ) 40522242  
 Fax # (+91 – 011) 40522204  
 Email: investorrelations@denonline.in

**Share Transfer System**

M/s Karvy Computershare Private Limited is appointed as the Registrar & Share Transfer Agent of the Company. The transfer of shares is approved at the meetings of the Share Transfer Committee.

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

Total No. of shares transferred during 2014 – 2015 : 9

Number of Shares pending for Transfer as on 31.03.2015 : Nil

**Details as per clause 5A of Listing Agreement**

Table (Clause 5A of the Listing Agreement)

Dematerialization credit of 309 equity shares of Rs.10 each, for four allottees could not happen till date, due to incorrect particulars of account holders. The Company through its Registrar and Share Transfer Agent, M/s Karvy Computershare Private Limited, had sent several reminders to these allottees and in the absence of any response from any of them, had finally transferred the aforesaid equity shares to 'Den Networks Limited – Unclaimed Securities Suspense Account, as required under clause 5A of the Listing Agreement, following is the status of outstanding shares lying in the aforesaid account as on March 31, 2015:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1 <sup>st</sup> April, 2014/ transferred to Account during the year ended 31 <sup>st</sup> March, 2015	4	309
Number of shareholders who approached to the Company / RTA for transfer of shares from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March 2015	Nil	Nil
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31 <sup>st</sup> March 2015	Nil	Nil

Aggregate Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. as on 31 <sup>st</sup> March, 2015.	4	309
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The voting rights on these shares are frozen till the rightful owner of these shares claims the shares.

\* Note: The Shareholders may please note that the voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the same.

**IX INVESTORS UPDATE**

- Investors are requested to communicate change of address, if any, directly to the share transfer agent of the Company at the above address.
- As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.
- The shareholders are requested to dematerialize their physical share certificates, through a depository participant. Shareholders requiring any further clarification/ assistance on the subject may contact the Company's share transfer agent.
- Pursuant to Section 72 of the Companies Act, 2013 read along with applicable rules thereof, investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form will be made available on request.
- Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.
- The Company has not declared dividend. Hence, there is no requirement to transfer in terms of Section 125 of the Companies Act, 2013 corresponding to Section 205C of the erstwhile Companies Act, 1956.
- Ministry of Corporate Affairs (MCA) vide Circular bearing nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011 respectively has taken steps towards "Green Initiative", by allowing paperless compliances by serving documents through electronic mode (e-mail) by companies to its shareholders. As an enlightened corporate citizen, going forward we propose to send all future shareholders' communications like Notices, Company's Annual Report etc. through electronic mode. This will also ensure prompt receipt of communication avoids loss in postal transit and saving of huge cost incurred in printing and postage.

In support to the "Green Initiative" introduced by MCA, your Company's desire to participate in the same. We therefore request you to kindly provide

your e-mail address to our Registrar. As directed by MCA vide its above circulars, the Company would also make available these documents on the Company’s website for reference and download by the shareholders. The Shareholders who still hold the shares in the physical mode are requested to convert their respective holding in Dematerialisation form and get their e-mail registered with the Company/Registrar & Share Transfer Agent to enable your Company to actively participate in the said Green Initiative.

**Redressal of Investors Complaints**

The philosophy of the Company is to give utmost importance to the redressal of investor’s grievances. In terms of Clause 47(f) of the Listing

Agreement the Company has designated a separate e-mail address as mentioned hereunder, for investors to lodge their complaints:

investorrelations@denonline.in,  
investor.grievance@denonline.in

**X DEMATERIALIZATION OF SHARES AND LIQUIDITY**

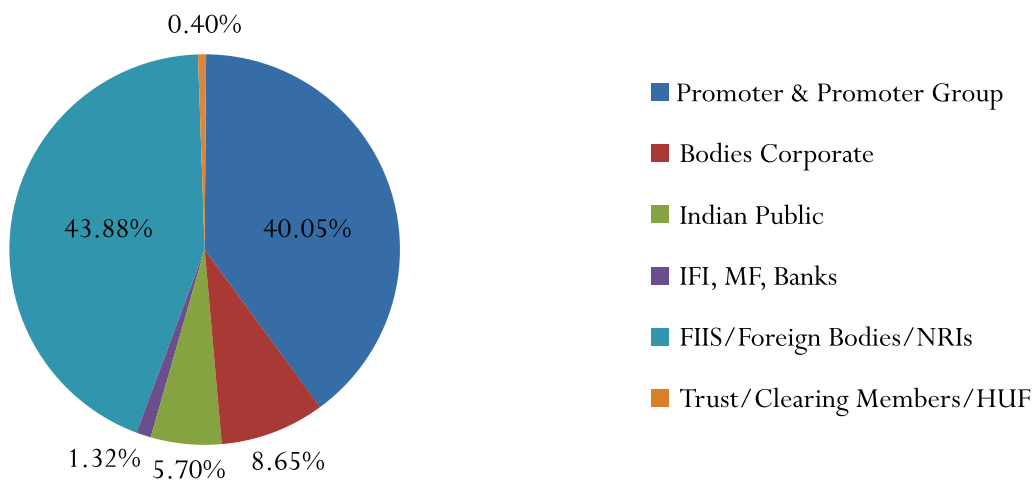
The shares of the Company are compulsorily traded in dematerialized mode and are registered for trading with both the depository participants i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The status of holding in dematerialized and physical mode, as on March 31, 2015 is as under:

Sl. No.	Mode of Holding	No. of shares	% of total share capital
1	Demat	177,987,604	99.88
2	Physical	212202	0.12
	<b>TOTAL</b>	178,199,806	100.00

**Distribution of Shareholding as on 31.03.2015**

S. No.	Category	No. of Shareholders	No. of Shares	%
1	Indian Promoters / Person Acting in Concert	6	71,360,420	40.05
2	Bodies Corporates	385	15,405,839	8.65
3	Indian Public	8291	10,163,524	5.70
4	IFIs / Mutual Funds / UTI / Banks	6	2,359,768	1.32
5	NRIs / OCBs / FIIs / FN	172	78,192,263	43.88
6	Trust / Clearing member	230	717,992	0.40
	<b>Total</b>	<b>9090</b>	<b>178,199,806</b>	<b>100.00</b>

**Graphical Presentation of Shareholding Pattern**



**Distribution Schedule as on 31.03.2015**

DISTRIBUTION SCHEDULE AS ON 31/03/2015					
S. No.	Category	Cases	% of Cases	Amount	% Amount
1	upto 1 - 5000	8018	88.21	6917740.00	0.39
2	5001 - 10000	410	4.51	3363010.00	0.19
3	10001 - 20000	202	2.22	3110780.00	0.17
4	20001 - 30000	92	1.01	2406830.00	0.14
5	30001 - 40000	50	0.55	1801370.00	0.10
6	40001 - 50000	41	0.45	1960090.00	0.11
7	50001 - 100000	78	0.86	5945600.00	0.33
8	100001 & ABOVE	199	2.19	1756492640.00	98.57
	<b>Total</b>	<b>9090</b>	<b>100.00</b>	<b>1,78,19,98,060.00</b>	<b>100.00</b>

**Plant Locations**

Not applicable

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

The Company has not issued any ADRs/GDRs/Convertible instruments during the year under review.

**Address for Correspondence****Registered Office Address:**

DEN Networks Limited  
 236, Okhla Industrial Estate,  
 Phase-III, New Delhi-110020  
 Phone Nos: 011-40522200  
 Fax No.: 011-40522203

## ANNEXURE 'A'

### CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

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

1. We have reviewed the implementation of the Corporate Governance procedures by DEN Networks Limited (the Company) during the year ended March 31<sup>st</sup> 2015, with the relevant records and documents maintained by the Company and furnished to us for our review, explanations given to us and report on Corporate Governance, as approved by the Board of Directors.
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. On the basis of our review and according to the best of our information and according to the explanations given to us, the Company has been complying with the conditions of Corporate Governance, as stipulated in the Clause 49 of the Listing Agreement with the Stock Exchange(s), as in force.

For **AMJ & Associates**,  
Company Secretaries  
Sd/-

Place: New Delhi  
Date: 31<sup>st</sup> July, 2015

**Manoj Kumar Jain**  
Partner  
Membership No. FCS 5832  
Certificate of Practice  
No. 5629

## ANNEXURE 'B'

### DECLARATION UNDER CLAUSE 49-II (E) OF THE LISTING AGREEMENT

To,  
Dear Members,  
**DEN Networks Limited,**

In compliance with the provisions of Clause 49 of the Listing Agreement, the Company had laid down a "Code of Conduct" to be followed by all the Board members and senior management personnel which received the sanction of the Board and had been posted on the website of the Company. The Code lays down the standards of ethical and moral conduct to be followed by the members in the course of proper discharge of their official duties and commitments. All the members are duly bound to follow and confirm to the Code.

It is hereby certified that all the members of the Board and senior management personnel have confirmed to and complied with the "Code of Conduct" during the financial year 2014-15 and there have been no instances of violation of the Code.

For DEN Networks Limited  
Sd/-  
**Pradeep Parameswaran**  
Chief Executive Officer

Place: New Delhi  
Date: 31<sup>st</sup> July, 2015



## **ANNEXURE 'C'**

### **CMD AND CFO CERTIFICATION**

To,  
The Board of Directors,  
**DEN Networks Limited,**

We, Sameer Manchanda, Chairman Managing Director and Manish Dawar, Group Chief Financial Officer, responsible for the finance function and the compliance of the Code of Conduct of the Company, certify that:

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

For DEN Networks Limited  
**Sd/-**  
**Sameer Manchanda**  
Chairman Managing Director

For DEN Networks Limited  
**Sd/-**  
**Manish Dawar**  
Group Chief Financial Officer

Place: New Delhi  
Date: 11 May, 2015

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF DEN NETWORKS LIMITED

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of DEN Networks Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures elected 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.

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

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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its loss and its cash flows for the year ended on that date.

### EMPHASIS OF MATTERS

We draw attention to note 43 of the standalone financial statements wherein it is stated that the Digital Addressable System (DAS) subscription fee has not yet been finalised and the revenue on account of the same has been recognised based on certain estimates which in the management's view are reasonable.

Our opinion is not modified in respect of this matter.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) 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 information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its 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 DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm's registration no. 015125N)

Sd/-

**JITENDRA AGARWAL**

Partner

(Membership No. 87104)

**NEW DELHI**

11 May, 2015

# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a program of verification of fixed assets to cover all items in a phased manner over a period of three years other than set top boxes which are in possession of the customers/ third parties and distribution equipment comprising overhead and underground cables. Management is of the view that it is not possible to verify these assets due to their nature and location. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
  
In our opinion, other than for physical verification of set top boxes and distribution equipment referred to above, the frequency of verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- ii. In respect of its inventories:
  - a. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
  - a. The receipts of principal amounts and interest have been regular/as per stipulations.
  - b. There is no overdue amount in excess of Rs. 1 lakh remaining outstanding as at the year-end.
- iv. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the capital items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and the Cost Records and Audit (Telecommunication Industry) Rules prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us in respect of statutory dues:
  - a. The Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. According to the information and explanations given to us, the Company's operations did not give rise to any Excise Duty.
  - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable except for the dues related to amusement tax and entertainment tax, the details of which are given below:

Name of Statute	Nature of Dues	Amount Involved (Rs in million)	Period to which the Amount Relates	Due Date
West Bengal Entertainment Cum Amusement Tax Act, 1982	Amusement tax	10.24	April 2013 to March 2014	Within 30 days from the expiry of each month
Delhi Entertainment Tax Act, 1996	Entertainment Tax	12.49	April 2014 to September 2014	Within 7 days from the expiry of each month

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

- c. Details of dues of Value Added Tax and Sales Tax which have not been deposited as on 31<sup>st</sup> March, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs in million)
UP Value Added Tax Act, 2008	Value added tax	Commercial Tax Tribunal, Lucknow	June 2013	5.84
UP Value Added Tax Act, 2008	Value added tax	Additional Commissioner Appeals	April 2012 to March 2013	100.39
UP Value Added Tax Act, 2008	Value added tax	Deputy Commissioner, Lucknow	September 2013 to October 2013	14.36
Bihar Value Added Tax Act, 2005	Value added tax	Joint Commissioner of Commercial Tax (Appeals)	April 2012 to March 2014	14.94
Karnataka Value Added Tax and CST Act, 2003	Value added tax and Central Sales Tax	Joint Commissioner of Commercial Tax (Appeals)	April 2008 to March 2009	21.51
Kerala Value Added Tax and CST Act, 2003	Value added tax and Central Sales Tax	Assistant Commissioner Appeals, Commercial Taxes, Ernakulam	April 2011 to March 2013	18.16

We are informed that there are no dues in respect of Income Tax, Wealth Tax, Service Tax, Customs Duty and Cess which have not been deposited on account of any dispute.

- d. There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
- viii The accumulated losses of the Company at the end of the financial year are less than fifty percent of its net worth and the Company has not incurred cash loss during the preceding year but has incurred cash losses during the current financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions. The Company has not issued any debentures.
- x. In our opinion and according to the information and explanations given to us, the terms and conditions of the

guarantee given by the Company for loan taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.

- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm’s registration no. 015125N)

Sd/-

**JITENDRA AGARWAL**

Partner

(Membership No. 87104)

**NEW DELHI**

11 May, 2015

**BALANCE SHEET**AS AT 31<sup>st</sup> MARCH, 2015

	Particulars	Note No.	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>A.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1. SHAREHOLDERS' FUNDS</b>			
	a. Share capital	3	1,777.42	1,775.67
	b. Reserves and surplus	4	14,709.37	15,828.69
			<b>16,486.79</b>	<b>17,604.36</b>
	<b>2. NON-CURRENT LIABILITIES</b>			
	a. Long-term borrowings	5	3,374.69	4,461.86
	b. Other long-term liabilities	6	3.09	2.84
	c. Long-term provisions	7	71.98	61.58
			<b>3,449.76</b>	<b>4,526.28</b>
	<b>3. CURRENT LIABILITIES</b>			
	a. Short-term borrowings	8	492.86	486.56
	b. Trade payables	9	2,388.02	1,736.19
	c. Other current liabilities	10	6,848.39	5,912.63
	d. Short-term provisions	11	1.97	1.75
			9,731.24	8,137.13
	<b>TOTAL</b>		<b>29,667.79</b>	<b>30,267.77</b>
<b>B.</b>	<b>ASSETS</b>			
	<b>1. NON-CURRENT ASSETS</b>			
	a. Fixed assets			
	i Tangible assets	12	6,695.76	6,115.69
	ii Intangible assets	12	51.17	49.81
	iii Capital work in progress		931.94	752.08
			<b>7,678.87</b>	<b>6,917.58</b>
	b. Non-current investments	13	5,739.83	4,961.60
	c. Deferred tax assets (net) (See note 30)		217.14	180.65
	d. Long-term loans and advances	14	1,249.35	843.91
	e. Other non-current assets	15	237.12	854.93
			<b>15,122.31</b>	<b>13,758.67</b>
	<b>2. CURRENT ASSETS</b>			
	a. Current investments	16	1,231.42	3,614.69
	b. Trade receivables	17	3,278.44	2,835.55
	c. Cash and cash equivalents	18	7,355.03	7,393.67
	d. Short-term loans and advances	19	1,168.55	950.56
	e. Other current assets	20	1,512.04	1,714.63
			14,545.48	16,509.10
	<b>TOTAL</b>		<b>29,667.79</b>	<b>30,267.77</b>

See accompanying notes forming part of the financial statements

**In terms of our report attached**  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**SAMEER MANCHANDA**  
Chairman Managing Director  
DIN: 00015459

**AJAYA CHAND**  
Director  
DIN: 02334456

**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

**MANISH DAWAR**  
Group Chief Financial Officer

**JATIN MAHAJAN**  
Company Secretary  
FCS-6887

New Delhi  
11 May, 2015

New Delhi  
11 May, 2015

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

	Particulars	Note No.	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>1.</b>	<b>REVENUE</b>			
	a. Revenue from operations	21	8,450.00	8,612.23
	b. Other income	22	984.71	753.93
	<b>TOTAL REVENUE</b>		<b>9,434.71</b>	<b>9,366.16</b>
<b>2.</b>	<b>EXPENSES</b>			
	a. Employee benefits expense	23	611.97	500.93
	b. Finance costs	24	765.51	828.00
	c. Depreciation and amortisation expense	12	1,086.79	852.14
	d. Other expenses	25	8,107.98	7,226.75
	<b>TOTAL EXPENSES</b>		<b>10,572.25</b>	<b>9,407.82</b>
<b>3.</b>	<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(1,137.54)</b>	<b>(41.66)</b>
<b>4.</b>	<b>TAX EXPENSE</b>			
	a. Current tax expense		-	30.04
	b. Less : MAT credit adjustment relating to previous year		14.16	-
	c. Excess provision for tax relating to prior years		(7.14)	(4.40)
	d. Net current tax expense		7.02	25.64
	e. Deferred tax	30 (b)	(36.49)	(118.95)
	<b>NET TAX EXPENSE</b>		<b>(29.47)</b>	<b>(93.31)</b>
<b>5.</b>	<b>PROFIT AFTER TAX</b>		<b>(1,108.07)</b>	<b>51.65</b>
	Earnings per equity share (Face value of Rs. 10 per share)	40		
	Basic (Rs. per share)		(6.22)	0.32
	Diluted (Rs. per share)		(6.22)	0.32

See accompanying notes forming part of the financial statements

**In terms of our report attached**  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**SAMEER MANCHANDA**  
Chairman Managing Director  
DIN: 00015459

**AJAYA CHAND**  
Director  
DIN: 02334456

**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

**MANISH DAWAR**  
Group Chief Financial Officer

**JATIN MAHAJAN**  
Company Secretary  
FCS-6887

New Delhi  
11 May, 2015

New Delhi  
11 May, 2015

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/(loss) before tax	(1,137.54)	(41.66)
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	1,086.79	852.14
	Loss on sale of investment	-	92.54
	Finance costs	765.51	828.00
	Provision for impairment of investment	11.95	-
	Net (gain)/ loss on foreign currency transactions and translation	-	10.62
	Doubtful debts and advances written off/provided	359.22	183.44
	Fixed assets/ capital work in progress written off	1.36	4.25
	Interest income	(748.46)	(520.45)
	Profit from sale of current investment	(204.23)	(168.48)
	Profit from sale of fixed assets	(9.51)	(0.70)
	Liabilities/ excess provisions written back	(2.90)	(50.87)
	Operating profit before working capital changes	122.19	1,188.83
	<b>Changes in working capital:</b>		
	Adjustments for (increase)/ decrease in operating assets:		
	Trade receivables	(802.12)	(1,444.08)
	Short-term loans and advances	(12.93)	(88.12)
	Long-term loans and advances	(109.34)	(62.80)
	Other current assets	(2.71)	(184.97)
	Other non-current assets	(9.34)	-
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	651.83	508.42
	Other current liabilities	152.24	114.24
	Other long-term liabilities	0.25	2.53
	Short-term provisions	0.25	(0.33)
	Long-term provisions	10.40	15.23
	Cash generated from/ (used in) operations	0.72	48.95
	Net income tax (paid) / refunds	(327.69)	(268.96)
	<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>(326.97)</b>	<b>(220.01)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Capital expenditure on fixed assets, including capital advances	(1,766.04)	(3,541.94)
	Proceeds from sale of fixed assets	712.22	314.33
	Bank balances not considered as Cash and cash equivalents	(449.62)	(5,150.32)
	<b>Current investments not considered as Cash and cash equivalents:</b>		
	- Purchased	(3,551.19)	(23,392.93)
	- Proceeds from sale	6,138.67	21,260.96
	Share application money given	(427.30)	(445.72)
	Share application money refund received	37.46	43.28
	<b>Purchase of long-term investments:</b>		
	- Subsidiaries	(224.73)	(77.78)
	- Joint venture	(50.00)	-
	Proceeds from sale of long-term investments:		
	- Subsidiaries	-	16.25
	Loans given		



	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
	- Subsidiaries	(430.10)	(241.35)
	- Joint venture	(17.60)	-
	Loans realised		
	- Subsidiaries	175.75	256.27
	- Joint venture	17.60	-
	Advance recovered/(given) for investment	(2.50)	(8.30)
	Interest received		
	- Subsidiaries	155.63	101.43
	- Others	607.64	105.49
	<b>Net cash from/ (used in) investing activities</b>	<b>925.89</b>	<b>(10,760.33)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of equity shares	5.25	9,626.81
	Share issue expenses	(2.72)	(279.49)
	Proceeds from short term borrowings	6.30	137.08
	Proceeds from long term borrowings	1,519.69	4,043.60
	Repayment of long term borrowings	(1,972.81)	(1,567.96)
	Finance costs	(762.84)	(810.95)
	Net cash from/ (used in) financing activities	(1,207.13)	11,149.09
	Net increase/ (decrease) in cash and cash equivalents	(608.21)	168.75
	Cash and cash equivalents as at the beginning of the year	1,359.48	1,190.73
	<b>Cash and cash equivalents as at the end of the year (See note 18)**</b>	<b>751.27</b>	<b>1,359.48</b>
	**Comprises:		
	a. Cash on hand	3.86	9.44
	b. Cheques on hand	-	0.05
	c. Balance with scheduled banks		
	i. in current accounts	747.41	1,237.50
	ii. in deposit accounts		
	-original maturity of 3 months or less	-	112.49
		<b>751.27</b>	<b>1,359.48</b>

See accompanying notes forming part of the financial statements

**In terms of our report attached**  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

New Delhi  
11 May, 2015

**SAMEER MANCHANDA**  
Chairman Managing Director  
DIN: 00015459

**MANISH DAWAR**  
Group Chief Financial Officer

New Delhi  
11 May, 2015

**AJAYA CHAND**  
Director  
DIN: 02334456

**JATIN MAHAJAN**  
Company Secretary  
FCS-6887

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## 1. BACKGROUND

DEN Networks Limited (hereinafter referred to as 'the Company' or 'DEN') was incorporated on 10 July, 2007 and is engaged in distribution of television channels through analog and digital cable distribution network and provision of broadband services.

The Company changed its status from a Private Limited Company to a Public Limited Company on 15 April, 2008 thereby changing its name to DEN Digital Entertainment Networks Limited. Subsequently, the Company changed its name to DEN Networks Limited on 27 June, 2008.

During the financial year 2009-10, the Company issued and allotted 18,567,240 Equity Shares of face value of Rs. 10/- each, pursuant to the Initial Public Offer (IPO), which were admitted for listing and trading on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from November 24, 2009.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### 2.2 Use of estimates

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

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

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

### 2.4 Cash flow statement

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

### 2.5 Depreciation and amortization

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

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

Headend and distribution equipment	6 to 15 years
Set Top Boxes (STBs)	8 years
Office and other equipment	3 to 10 years
Furniture and fixtures	6 years
Vehicles	6 years
Leasehold improvements	Lower of the useful life and the period of the lease
Fixed assets acquired through business purchase	5 years as estimated by an approved valuer

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

Goodwill	5 years
Distribution network rights	5 years
Software	5 years
License fee for internet service	Over the period of License Agreement
Non-compete fees	5 years

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

## 2.6 Revenue recognition

### i. Income from operations

1. Service revenue comprises subscription income from digital and analog subscribers, placement of channels, advertisement revenue, fees for rendering management, technical and consultancy services and other related services. Income from services is recognised upon completion of services as per the terms of contracts with the customers. Period based services are accrued and recognised pro-rata over the contractual period.
2. Activation fees on STBs is recognized on activation of boxes once issued to customers.
3. Amounts billed for services in accordance with contractual terms but where revenue is not recognised, have been classified as advance billing and disclosed under current liabilities.
4. Revenue from prepaid internet service plans, which are active at the end of accounting period, is recognised on time proportion basis.

### ii. Sale of equipment

Revenue for sale of equipment is recognised on delivery to customers which coincide with transfer of significant risks and rewards of ownership of the equipment. The time of transfer and the amount is determined based on the arrangement between the parties involved.

In case of VAT collected on sales, exclusive method is followed, where sales and expenditure will not include VAT. VAT collected is disclosed under current liabilities and not routed through Statement of Profit and Loss.

## 2.7 Other income

1. Profit on sale of investments in mutual funds is recorded on transfer of risk and rewards from the Company and is determined as the difference between the sales price and the carrying value of the investment.
2. Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

## 2.8 Tangible assets

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

## 2.9 Intangible assets

1. Intangible assets acquired in business acquisitions are stated at fair value as determined by the management of the Company on the basis of valuation by expert valuers, less accumulated amortisation.
2. Other intangible assets are stated at cost of acquisition less accumulated amortisation. The actual cost capitalised includes purchase price, and all other attributable costs of bringing the assets to working condition for intended use.

## 2.10 Foreign currency transactions and translations

### a. Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

### b. Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

c. *Treatment of exchange differences*

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

d. *Exchange difference on long-term foreign currency monetary items*

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

## 2.11 Investments

Trade investments are investments made to enhance the Company's business interests. Investments are classified either as long term or current investments, based on management's intention at the time of purchase. Long-term investments are stated at cost less provision for other than temporary diminution in the carrying value, as determined separately for each investment. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

## 2.12 Employee benefits

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

a. *Defined contribution plans*

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b. *Defined benefit plans*

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise

is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

c. *Short term employee benefits*

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

d. *Long term employee benefits*

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

## 2.13 Employee share based payments

The Company has formulated Employee Stock Option Schemes (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share Based Employee Benefits) Regulations 2014. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. In accordance with the SEBI Guidelines; the excess, if any, of the closing market price on the day prior to the grant of the options under ESOS over the exercise price is amortised on a straight-line basis over the vesting period.

The Company has constituted Employee Stock Option Plan 2010 ("ESOP 2010") and Employee Stock Option Plan 2014 ("ESOP 2014"). Employee Stock Options granted on or after 1 April, 2005 are accounted under the 'Intrinsic Value Method' stated in the Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India.

## 2.14 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to

the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

## 2.15 Segment information

### a. Business segments

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”. (See also note 27)

### b. Geographical segments

Secondary segmental reporting is performed on the basis of the geographical location of customers i.e. within India and overseas.

## 2.16 Leases

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

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

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

## 2.17 Earnings per share

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

## 2.18 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by

the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

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

### 2.19 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

### 2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### 2.21 Share issue expenses

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

### 2.22 Service tax input credit

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

### 2.23 Operating Cycle

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

Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>3. SHARE CAPITAL</b>		
<b>A. AUTHORISED</b>		
200,000,000 (Previous year 200,000,000) equity shares of Rs. 10 each with voting rights	2,000.00	2,000.00
<b>B. ISSUED, SUBSCRIBED AND FULLY PAID UP</b>		
178,199,806 (Previous year 178,199,806) equity shares of Rs. 10 each fully paid up with voting rights	1,782.00	1,782.00
Less : Amount recoverable from DNL Employee Welfare Trust [457,931 (Previous year 632,942) number of shares issued to trust @ Rs. 10 per share]	4.58	6.33
	<b>1,777.42</b>	<b>1,775.67</b>

**Of the above:**

- a. 72,475,520 equity shares of Rs. 10 each were issued in 2009-10 as bonus shares in the ratio of 4:1 for every one equity share by utilisation of securities premium.
- b. In 2009-10, the Company issued bonus shares for 39,993,000 .001% Cumulative Convertible Preference Shares of Rs. 10 each in the ratio of one share for every ten .001% Cumulative Convertible Preference Shares held by its shareholders by utilisation from the securities premium account resulting into total of 43,992,300 .001% Cumulative Convertible Preference Shares. These shares were subsequently converted into 13,361,361 fully paid up equity shares of Rs. 10 each in 2009-10.
- c. 4,019,606 fully paid up equity shares of Rs. 10 each at premium of Rs. 185 were issued in 2009-10 against consideration payable towards investments made in subsidiary companies.
- d. Reconciliation of the number and amount of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount (Rs. in million)	No. of Shares	Amount (Rs. in million)
Opening balance	178,199,806	1,782.00	134,024,101	1,340.24
Add : Allotment under Qualified Institutional Placement (QIP) as per chapter VIII of SEBI (ICDR) Regulations, 2009.	-	-	12,466,321	124.66
Add : Allotment under Preferential Issue as per Chapter VII of SEBI (ICDR) Regulations, 2009.	-	-	31,709,384	317.10
<b>Closing Balance</b>	<b>178,199,806</b>	<b>1,782.00</b>	<b>178,199,806</b>	<b>1,782.00</b>

- e. Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity shares with voting rights:				
Sameer Manchanda	46,654,550	26.18%	46,654,550	26.18%
Broad Street Investment (Singapore) Pte. Ltd.	28,826,713	16.18%	28,826,713	16.18%
Lucid Systems Private Limited	16,000,000	8.98%	16,000,000	8.98%
Acacia Banyan Partners (directly/ through affiliates)	11,000,000	6.17%	-	0.00%

- f. As at 31<sup>st</sup> March, 2015 11,053,394 shares (As at 31<sup>st</sup> March, 2014; 1,693,404 shares) were reserved for issuance as follows:
  - (i) 1,680,000 shares (As at 31<sup>st</sup> March, 2014, 450,000 shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan 2010 and 4,450,000 shares (As at 31<sup>st</sup> March, 2014 Nil shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan-B 2014. (Refer Note 37)
  - (ii) 463,404 shares (As at 31<sup>st</sup> March, 2014; 1,693,404 shares) of Rs. 10 each towards outstanding employee stock options available for grant under Employee Stock Option 2010, 4,995 shares (As at 31<sup>st</sup> March, 2014 Nil shares) of Rs. 10 each towards outstanding employee stock options available for grant under Employee Stock Option Plan-B 2014 and 4,454,995 shares (As at 31<sup>st</sup> March, 2014 Nil shares) of Rs. 10 each towards outstanding employee stock options available for grant under Employee Stock Option Plan-A 2014.
- g. **Other disclosures**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is eligible for one vote per share held and dividend as and when declared by the Company. Interim Dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholders' approval. Dividends are paid in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

	Particulars		As at 31.03.2015 (Rs. in million)	As at 31.03.2015 (Rs. in million)
<b>4.</b>	<b>RESERVES AND SURPLUS</b>			
	<b>a. Securities premium account</b>			
	i. Opening balance		15,138.97	6,176.00
	ii. Add : Premium on shares issued during the year		-	9,166.46
	iii. Less : Utilised during the year for writing off share issue expenses (Net of Deferred tax assets of Rs. Nil (Previous year Rs. 76.00 million)		2.72	203.49
	iv. Closing balance		<b>15,136.25</b>	<b>15,138.97</b>
	v. Less : Amount recoverable from DNL Employee Welfare Trust [457,931 (Previous year 632,942) number of shares issued to trust @ Rs. 20 per share]		9.16	12.66
		<b>(A)</b>	<b>15,127.09</b>	<b>15,126.31</b>
	<b>b. General reserve</b>	<b>(B)</b>	<b>202.86</b>	<b>202.86</b>
	<b>c. Surplus / (Deficit) in Statement of Profit and Loss</b>			
	i. Opening balance		499.52	447.87
	ii. Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (See note 44)		12.03	-
	iii. Add: Profit/ (loss) for the year		(1,108.07)	51.65
	iv. Closing balance	<b>(C)</b>	<b>(620.58)</b>	<b>499.52</b>
		<b>(A+B+C)</b>	<b>14,709.37</b>	<b>15,828.69</b>
<b>5.</b>	<b>LONG-TERM BORROWINGS</b>			
	<b>a. Term loans (Secured)</b>			
	i. from banks (See footnote i)		312.70	530.33
	ii. from financial institution (See footnote ii)		800.00	1,200.00
	iii. from other parties (See footnote iii)		1,198.79	750.53
	<b>b. Long-term maturities of finance lease obligations (See note 32)</b>		<b>1,054.35</b>	<b>1,973.45</b>
	(Secured by hypothecation of assets purchased under finance lease agreement and payable in equal monthly installments. Applicable rate of interest is 8.55%)			
	<b>c. Other loans</b>			
	Vehicle Loans		6.36	2.47
	(Secured by hypothecation of vehicles and payable in equal monthly installments. The loan is repayable in 1 to 37 installments ending in Jan-2017. Applicable rate of interest is 9.71% to 10.96%)			
	Unsecured (See footnote iv)		2.49	5.08
			<b>3,374.69</b>	<b>4,461.86</b>



**Details of terms of repayment for the long-term borrowings and security provided in respect of the secured borrowings:**

Secured	As at 31.03.2015		As at 31.03.2014	
	Long-Term debts	Current Maturities of long-term debts	Long-Term debts	Current Maturities of long-term debts
<b>FOOTNOTES</b>				
<b>i. Term loan from banks are secured as follows:</b>				
By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan outstanding as at balance sheet date is repayable in 2 quarterly installments commencing from June-2015 and ending in September-2015. Applicable rate of interest is 14.50%.	-	54.81	54.97	110.00
By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. This loan is further guaranteed by Mr. Sameer Manchanda (Chairman and Managing Director of the Company). The loan outstanding as at balance sheet date is repayable in 4 quarterly installments commencing from April-2015 and ending in January-2016. Applicable rate of interest is 13.00%.	-	184.88	184.88	185.00
By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan outstanding as at balance sheet date is repayable in 9 quarterly installments commencing from April-2015 and ending in April-2017. Applicable rate of interest is 13.00%.	78.18	65.00	139.61	65.00
By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan outstanding as at balance sheet date is repayable in 14 quarterly installment commencing from June-2015 and ending in September-2018. Applicable rate of interest is 13.00%.	141.87	56.76	58.22	-
By first pari passu charge on entire fixed assets of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company. The loan outstanding as at balance sheet date is repayable in 8 quarterly installment commencing from April-2016 and ending in January-2018. Applicable rate of interest is 12.30%.	92.65	-	92.65	-
	312.70	361.45	530.33	360.00
<b>ii. Term loan from financial institution is secured as follows:</b>				
By first pari passu charge on fixed assets of the Company (existing and proposed) and first pari passu charge on all current assets of the Company. Pledge of shares held by the Company in its Subsidiaries, both present and future. The loan outstanding as at balance sheet date is repayable in 12 quarterly installments commencing from May-2015 and ending in March-2018. Applicable rate of interest is 11.50%.	800.00	400.00	1,200.00	400.00
<b>iii. Term loan from others</b>				
This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the fixed assets acquired under the loan agreement. The loan outstanding as at balance sheet date is repayable in 47 equal monthly installments commencing from April-2015 and ending in February-2019. Applicable rate of interest is 8.55%.	1,198.79	905.43	750.53	235.83
	<b>2,311.49</b>	<b>1,666.88</b>	<b>2,480.86</b>	<b>995.83</b>

Secured	As at 31.03.2015		As at 31.03.2014	
	Long-Term debts	Current Maturities of long-term debts	Long-Term debts	Current Maturities of long-term debts
<b>Unsecured</b>				
iv. Long-term maturities of other loans				
This unsecured loan outstanding as at balance sheet date from Cisco Systems Capital India Private Limited is payable in 32 monthly installments commencing from April-2015 and ending in November-2017. Applicable rate of interest is 8.55%.	2.49	2.59	5.08	2.59
	<b>2.49</b>	<b>2.59</b>	<b>5.08</b>	<b>2.59</b>
v. For the current maturities of long term borrowings, see items (a) to (e) in Note 10 Other current liabilities.				

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>6.</b>	<b>OTHER LONG-TERM LIABILITIES</b>		
	a. Security deposits received	3.09	2.84
		<b>3.09</b>	<b>2.84</b>
<b>7.</b>	<b>LONG-TERM PROVISIONS</b>		
	a. Provision for employee benefits		
	i. Provision for compensated absences	30.09	26.75
	ii. Provision for gratuity [See note 35 (B)(i)]	41.89	34.83
		<b>71.98</b>	<b>61.58</b>
<b>8.</b>	<b>SHORT-TERM BORROWINGS (SECURED)</b>		
	a. Loans repayable on demand		
	from banks*	492.86	486.56
		<b>492.86</b>	<b>486.56</b>
	* secured by first pari passu charge on current assets of the Company both existing and future and second pari passu charge on all fixed assets of the Company both existing and future. Applicable rate of interest is 12.30% to 13.00%.		
<b>9.</b>	<b>TRADE PAYABLES</b>		
	a. Micro and small enterprises (See note 34)	-	-
	b. Others	2,388.02	1,736.19
		<b>2,388.02</b>	<b>1,736.19</b>
<b>10.</b>	<b>OTHER CURRENT LIABILITIES</b>		
	a. Current maturities of secured term loans (See footnote i below)	1,666.88	995.83
	b. Buyers credit on imports (See footnote ii below)	3,222.44	2,942.90
	c. Current maturities of finance lease obligations (See footnote i below and note 32)	529.54	847.06
	d. Current maturities of other secured loans (See footnote i below)	4.36	3.38
	e. Current maturities of other unsecured loans (See footnote i below)	2.59	2.59
	f. Balance consideration payable on investments	7.25	23.72
	g. Interest accrued and due on borrowings	13.07	0.64
	h. Interest accrued but not due on borrowings	41.94	52.34
	i. Advance billings	187.94	184.75
	j. Other payables		
	i. Statutory remittances	351.29	143.30
	ii. Payables on purchase of fixed assets	367.83	201.66
	iii. Security deposits received	5.34	6.30

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
	iv Book overdraft	413.42	476.55
	v Advances from customers	34.50	31.22
	vi Others	-	0.39
		<b>6,848.39</b>	<b>5,912.63</b>
	<b>FOOTNOTES</b>		
<b>i.</b>	See note 5 (Long-term borrowings) for details of security and guarantee		
<b>ii.</b>	“Secured by first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.		
	<b>11. SHORT-TERM PROVISIONS</b>		
	a. Provision for employee benefits		
	i. Provision for compensated absences	1.10	0.95
	ii. Provision for gratuity [See note 35 (B)(i)]	0.77	0.67
		<b>1.87</b>	<b>1.62</b>
	b. Provision - others		
	i. Wealth tax [net of advance tax of Rs. 0.58 million (Previous year Rs. 0.43 million)]	0.10	0.13
		<b>1.97</b>	<b>1.75</b>

**12. FIXED ASSETS (at cost)\* (Rs. in million)**

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK		
	Balance as at 1 April, 2014	Additions	Sales/ Adjustments	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 1 April, 2014	Depreciation/ amortisation expense for the year	Sales/ Adjustments	Other Adjustments/ Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 31 <sup>st</sup> March, 2014	
<b>A. Tangible assets</b>											
a. Leasehold improvements	92.48 (95.38)	9.45 (1.28)	- (4.18)	101.93 (92.48)	88.62 (89.46)	4.62 (3.34)	- (4.18)	- (-)	93.24 (88.62)	8.69 (3.86)	3.86 (5.92)
b. Plant and machinery											
i. Headend and distribution equipment											
- owned	1,334.77 (1,119.05)	419.34 (261.68)	6.91 (45.96)	1,747.20 (1,334.77)	503.93 (402.52)	156.23 (120.46)	4.99 (19.05)	- (-)	655.17 (503.93)	1,092.03 (830.84)	830.84 (716.53)
- taken under finance lease (See note 32)	59.73 (51.37)	125.30 (8.68)	- (0.32)	185.03 (59.73)	7.64 (2.06)	13.78 (5.60)	- (0.02)	- (-)	21.42 (7.64)	163.61 (52.09)	52.09 (49.31)
ii. Set top boxes											
- owned	4,466.76 (3,272.73)	1,070.72 (1,812.48)	98.86 (618.45)	5,438.62 (4,466.76)	914.62 (565.83)	620.23 (454.52)	10.12 (105.73)	- (-)	1,524.73 (914.62)	3,913.89 (3,552.14)	3,552.14 (2,706.90)
- taken under finance lease (See note 32)	1,783.09 (1,358.50)	51.34 (791.83)	- (367.24)	1,834.43 (1,783.09)	212.49 (27.95)	227.89 (202.24)	- (17.70)	- (-)	440.38 (212.49)	1,394.05 (1,570.60)	1,570.60 (1,330.55)
iii. Modems and routers											
- owned	- (-)	16.72 (-)	- (-)	16.72 (-)	- (-)	0.83 (-)	- (-)	- (-)	0.83 (-)	15.89 (-)	- (-)
- taken under finance lease (See note 32)	- (-)	11.94 (-)	- (-)	11.94 (-)	- (-)	0.94 (-)	- (-)	- (-)	0.94 (-)	11.00 (-)	- (-)
iv. Computers	52.61 (41.96)	10.62 (10.97)	- (0.32)	63.23 (52.61)	31.40 (24.23)	12.62 (7.40)	- (0.23)	2.27 (-)	46.29 (31.40)	16.94 (21.21)	21.21 (17.73)
v. Office and other equipment	122.81 (111.34)	13.95 (14.12)	0.60 (2.65)	136.16 (122.81)	57.74 (47.31)	12.45 (11.62)	0.34 (1.19)	9.76 (-)	79.61 (57.74)	56.55 (65.07)	65.07 (64.03)
c. Furniture and fixtures	10.90 (9.37)	1.24 (1.53)	0.01 (-)	12.13 (10.90)	9.45 (7.60)	0.63 (1.85)	0.01 (-)	- (-)	10.07 (9.45)	2.06 (1.45)	1.45 (1.77)
d. Vehicles	35.50	8.44	2.21	41.73	17.07	5.37	1.76	-	20.68	21.05	18.43

Particulars	GROSS BLOCK			DEPRECIATION/AMORTISATION					NET BLOCK	
	Balance as at 1 April, 2014	Additions	Sales/ Adjustments	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 1 April, 2014	Depreciation/ amortisation expense for the year	Sales/ Adjustments	Other Adjustments/ Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 31 <sup>st</sup> March, 2014
<b>Total (A)</b>	(32.67)	(4.10)	(1.27)	(35.50)	(12.73)	(5.46)	(1.12)	(-)	(17.07)	(19.94)
<b>Previous year (C)</b>	7,958.65	1,739.06	108.59	9,589.12	1,842.96	1,055.59	17.22	12.03	2,893.36	6,695.76
<b>Previous year (C)</b>	(6,092.37)	(2,906.67)	(1,040.39)	(7,958.65)	(1,179.69)	(812.49)	(149.22)	(-)	(1,842.96)	(6,115.69)
<b>B. Intangible assets (Others)</b>										
a. Goodwill	4.13	-	-	4.13	4.12	-	-	-	4.12	0.01
	(4.13)	(-)	(-)	(4.13)	(4.11)	(0.01)	(-)	(-)	(4.12)	(0.02)
b. Distribution network rights	199.26	23.98	-	223.24	156.74	27.65	-	-	184.39	42.52
	(199.26)	(-)	(-)	(199.26)	(120.82)	(35.92)	(-)	(-)	(156.74)	(78.44)
c. Software	23.86	8.08	-	31.94	17.39	3.46	-	-	20.85	6.47
	(21.89)	(1.97)	(-)	(23.86)	(13.76)	(3.63)	(-)	(-)	(17.39)	(8.13)
d. Licence fee for internet service	2.00	-	-	2.00	1.19	0.09	-	-	1.28	0.81
	(2.00)	(-)	(-)	(2.00)	(1.10)	(0.09)	(-)	(-)	(1.19)	(0.90)
f. Non compete fees	-	0.50	-	0.50	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total (B)</b>	229.25	32.56	-	261.81	179.44	31.20	-	-	210.64	49.81
<b>Previous year (D)</b>	(227.28)	(1.97)	(-)	(229.25)	(139.79)	(39.65)	(-)	(-)	(179.44)	(49.81)
<b>Grand Total (A+B)</b>	8,187.90	1,771.62	108.59	9,850.93	2,022.40	1,086.79	17.22	12.03	3,104.00	6,746.93
<b>Previous year (C+D)</b>	(6,319.65)	(2,908.64)	(1,040.39)	(8,187.90)	(1,319.48)	(852.14)	(149.22)	(-)	(2,022.40)	(6,165.50)

\*Figures in bracket relates to previous year

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>13.</b>	<b>NON-CURRENT INVESTMENTS (AT COST)</b>		
a.	Trade and unquoted - Investments in equity shares		
i.	of subsidiaries		
1	1,160,028 (Previous year 1,160,028) equity shares of Rs. 10 each, fully paid up in Den Futuristic Cable Networks Private Limited	115.10	115.10
2	7,237,200 (Previous year 7,237,200) equity shares of Rs. 10 each, fully paid up in Den Entertainment Network Private Limited	357.94	357.94
3	590,000 (Previous year 590,000) equity shares of Rs. 10 each, fully paid up in Aster Entertainment Private Limited	54.50	54.50
4	1,000,000 (Previous year 1,000,000) equity shares of Rs. 10 each, fully paid up in Den Digital Entertainment Gujarat Private Limited	128.00	128.00
5	250,000 (Previous year 250,000) equity shares of Rs. 10 each, fully paid up in Shine Cable Network Private Limited	12.50	12.50
6	109,236 (Previous year 109,236) equity shares of Rs. 10 each, fully paid up in Mahavir Den Entertainment Private Limited	17.11	17.11
7	1,205,334 (Previous year 1,205,334) equity shares of Rs. 10 each, fully paid up in Matrix Cable Network Private Limited	17.60	17.60
8	43,265 (Previous year 36,361) equity shares of Rs. 10 each, fully paid up in Den Ambey Cable Networks Private Limited	142.14	33.72
9	3,570 (Previous year 2,550) equity shares of Rs. 100 each, fully paid up in Den-Manoranjan Satellite Private Limited	138.61	127.81
10	51,000 (Previous year 51,000) equity shares of Rs. 10 each, fully paid up in Meerut Cable Network Private Limited	83.41	83.41
11	70,935 (Previous year 70,935) equity shares of Rs. 10 each, fully paid up in Den Krishna Cable TV Network Private Limited	79.95	79.95
12	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Shree Siddhivinayak Cable Network Private Limited	25.77	25.77
13	43,053 (Previous year 43,053) equity shares of Rs. 10 each, fully paid up in Den Pawan Cable Network Private Limited	61.16	61.16
14	2,111,400 (Previous year 2,111,400) equity shares of Rs. 10 each, fully paid up in Mahadev Den Network Private Limited	48.78	48.78
15	45,899 (Previous year 45,899) equity shares of Rs. 10 each, fully paid up in Mahadev Den Cable Network Private Limited	28.03	28.03
16	26,300 (Previous year 26,300) equity shares of Rs. 10 each, fully paid up in Den Mod Max Cable Network Private Limited	12.27	12.27
17	27,380 (Previous year 27,380) equity shares of Rs. 10 each, fully paid up in DEN BCN Suncity Network Private Limited	10.02	10.02
18	29,150 (Previous year 29,150) equity shares of Rs. 10 each, fully paid up in Den Crystal Vision Network Private Limited	8.18	8.18
19	45,900 (Previous year 45,900) equity shares of Rs. 10 each, fully paid up in Den Patel Entertainment Network Private Limited (formerly known as Mahadev Den Cable Net Private Limited)	14.55	14.55
20	25,501 (Previous year 25,501) equity shares of Rs. 10 each, fully paid up in Den Kashi Cable Network Private Limited	5.01	5.01
21	27,565 (Previous year 27,565) equity shares of Rs. 10 each, fully paid up in Den Harsh Mann Cable Network Private Limited	3.32	3.32
22	33,300 (Previous year 33,300) equity shares of Rs. 10 each, fully paid up in Den Mahendra Satellite Private Limited	3.01	3.01
23	27,384 (Previous year 27,384) equity shares of Rs. 10 each, fully paid up in Den Prince Network Private Limited	3.00	3.00
24	65,416 (Previous year 65,416) equity shares of Rs. 10 each, fully paid up in Den Varun Cable Network Private Limited	4.32	4.32
25	131,160 (Previous year 131,160) equity shares of Rs. 10 each, fully paid up in Den Pradeep Cable Network Private Limited	3.42	3.42

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
26	44,702 (Previous year 29,223) equity shares of Rs. 10 each, fully paid up in DEN Ashu Cable Private Limited	15.96	12.31
27	26,841 (Previous year 26,841) equity shares of Rs. 10 each, fully paid up in DEN Bindra Network Private Limited	5.11	5.11
28	29,685 (Previous year 29,685) equity shares of Rs. 10 each, fully paid up in Den Classic Cable TV Services Private Limited	2.65	2.65
29	30,140 (Previous year 30,140) equity shares of Rs. 10 each, fully paid up in DEN Digital Cable Network Private Limited	132.83	132.83
30	889,950 (Previous year 889,950) equity shares of Rs. 10 each, fully paid up in Den Enjoy Cable Networks Private Limited	89.99	89.99
31	58,148 (Previous year 58,148) equity shares of Rs. 10 each, fully paid up in Den F K Cable TV Network Private Limited	39.27	39.27
32	25,624 (Previous year 25,624) equity shares of Rs. 10 each, fully paid up in DEN Jai Ambey Vision Cable Private Limited	2.10	2.10
33	31,230 (Previous year 31,230) equity shares of Rs. 10 each, fully paid up in Den Maa Sharda Vision Cable Networks Private Limited	6.00	6.00
34	56,059 (Previous year 56,059) equity shares of Rs. 10 each, fully paid up in DEN MCN Cable Network Private Limited	33.97	33.97
35	2,831,109 (Previous year 339,500) equity shares of Rs. 10 each, fully paid up in Den Mewar Rajdev Cable Network Private Limited	74.25	37.88
36	51,209 (Previous year 51,209) equity shares of Rs. 10 each, fully paid up in DEN Montooshah Network Private Limited	21.65	21.65
37	35,140 (Previous year 35,140) equity shares of Rs. 10 each, fully paid up in Den Radiant Satellite Cable Network Private Limited	1.95	1.95
38	269,920 (Previous year 269,920) equity shares of Rs. 10 each, fully paid up in DEN RIS Cable Network Private Limited	7.53	7.53
39	31,265 (Previous year 31,265) equity shares of Rs. 10 each, fully paid up in Den Satellite Cable TV Network Private Limited	5.33	5.33
40	167,964 (Previous year 167,964) equity shares of Rs. 10 each, fully paid up in Den Shiva Cable Network Private Limited	2.24	2.24
41	1,328,600 (Previous year 1,328,600) equity shares of Rs. 10 each, fully paid up in DEN Sky Media Network Private Limited	284.72	284.72
42	30,452 (Previous year 30,452) equity shares of Rs. 10 each, fully paid up in DEN Supreme Satellite Vision Private Limited	25.56	25.56
43	27,325 (Previous year 27,325) equity shares of Rs. 10 each, fully paid up in Drashti Cable Network Private Limited	23.00	23.00
44	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in DEN Fateh Marketing Private Limited	10.23	10.23
45	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in DEN Nashik City Cable Network Private Limited	73.59	73.59
46	76,500 (Previous year 76,500) equity shares of Rs. 10 each, fully paid up in Radiant Satellite (India) Private Limited	46.01	46.01
47	30,529 (Previous year 30,529) equity shares of Rs. 10 each, fully paid up in DEN Aman Entertainment Private Limited	4.12	4.12
48	37,113 (Previous year 37,113) equity shares of Rs. 10 each, fully paid up in Den Budaun Cable Network Private Limited	2.00	2.00
49	1,450,750 (Previous year 1,450,750) equity shares of Rs. 10 each, fully paid up in Den Narmada Network Private Limited	72.30	72.30
50	71,548 (Previous year 28,928) equity shares of Rs. 10 each, fully paid up in DEN Bellary City Cable Private Limited	52.68	36.84
51	608,265 (Previous year 608,265) equity shares of Rs. 10 each, fully paid up in Den Malayalam Telenet Private Limited	55.34	55.34
52	57,252 (Previous year 57,252) equity shares of Rs. 10 each, fully paid up in DEN Elgee Cable Vision Private Limited	6.38	6.38

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
53	5,764 (Previous year 5,100) equity shares of Rs. 10 each, fully paid up in DEN Rajkot City Communication Private Limited (formerly known as Rajkot City Communication Private Limited)	100.93	98.43
54	30,633 (Previous year 30,633) equity shares of Rs. 10 each, fully paid up in DEN Malabar Cable Vision Private Limited	26.89	26.89
55	249,238 (Previous year 249,238) equity shares of Rs. 10 each, fully paid up in DEN Infoking Channel Entertainers Private Limited	81.35	81.35
56	3,167 (Previous year 3,167) equity shares of Rs. 100 each, fully paid up in Den UCN Network India Private Limited	23.09	23.09
57	51,000 (Previous year 51,000) equity shares of Rs. 10 each, fully paid up in Fortune (Baroda) Network Private Limited	36.46	36.46
58	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Galaxy Den Media & Entertainment Private Limited	43.35	43.35
59	27,300 (Previous year 27,300) equity shares of Rs. 10 each, fully paid up in Bali Den Cable Network Private Limited	50.65	50.65
60	32,941 (Previous year 32,941) equity shares of Rs. 10 each, fully paid up in Den Citi Channel Private Limited	17.13	17.13
61	108,927 (Previous year 29,227) equity shares of Rs. 10 each, fully paid up in Fab Den Network Private Limited	49.42	41.47
62	50,295 (Previous year 50,295) equity shares of Rs. 10 each, fully paid up in Den Satellite Network Private Limited	461.58	461.58
63	102,039 (Previous year 102,039) equity shares of Rs. 100 each, fully paid up in Cab-i-Net Communications Private Limited	30.04	30.04
64	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Den Krishna Vision Private Limited	3.68	3.68
65	45,900 (Previous year 45,900) equity shares of Rs. 10 each, fully paid up in Shri Ram DEN Network Private Limited	31.20	31.20
66	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in United Cable Network (Digital) Private Limited	4.60	4.60
67	10,554,820 (Previous year 10,554,820) equity shares of Rs. 10 each, fully paid up in Amogh Broad Band Services Private Limited	1,048.73	1,048.73
68	48,939 (Previous year 48,939) equity shares of Rs. 10 each, fully paid up in Den Sariga Communication Private Limited	9.77	9.77
69	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Den Sahyog Cable Network Private Limited	1.58	1.58
70	22,119,000 (Previous year 2,119,000) equity shares of Rs. 10 each, fully paid up in DEN Sports & Entertainment Private Limited (formerly known as IME Networks Private Limited)	221.19	21.19
71	48,931 (Previous year 48,931) equity shares of Rs. 10 each, fully paid up in Den A.F. Communication Private Limited	0.49	0.49
72	50,775 (Previous year 50,775) equity shares of Rs. 10 each, fully paid up in Den Kattakada Telecasting and Cable Services Private Limited	16.41	16.41
73	30,620 (Previous year 30,620) equity shares of Rs. 10 each, fully paid up in Big Den Entertainment Private Limited	12.22	12.22
74	5,100 (Previous year 5,100) equity shares of Rs. 10 each, fully paid up in Sree Gokulam Starnet Communication Private Limited	11.53	11.53
75	32,786 (Previous year 32,786) equity shares of Rs. 10 each, fully paid up in Ambika Den Cable Network Private Limited	1.84	1.84
76	30,682 (Previous year 30,682) equity shares of Rs. 10 each, fully paid up in Den Steel City Cable Network Private Limited	8.62	8.62
77	28,172 (Previous year 28,172) equity shares of Rs. 10 each, fully paid up in Sanmati Den Cable TV Network Private Limited	9.02	9.02
78	28,334 (Previous year 28,334) equity shares of Rs. 10 each, fully paid up in Multi Channel Cable Network Private Limited	9.73	9.73



	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
79	301,000 (Previous year 301,000) equity shares of Rs. 10 each, fully paid up in Victor Cable TV Network Private Limited	5.92	5.92
80	51,000 (Previous year 51,000) equity shares of Rs. 10 each, fully paid up in Gemini Cable Network Private Limited	5.87	5.87
81	29,147 (Previous year 29,147) equity shares of Rs. 10 each, fully paid up in Antique Communications Private Limited	1.79	1.79
82	30,721 (Previous year 30,721) equity shares of Rs. 10 each, fully paid up in Sanmati Entertainment Private Limited	3.01	3.01
83	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in VM Magic Entertainment Private Limited	12.53	12.53
84	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Crystal Vision Media Private Limited	149.08	149.08
85	34,170 (Previous year 34,170) equity shares of Rs. 10 each, fully paid up in Multi Star Cable Network Private Limited	1.02	1.02
86	84,551 (Previous year 84,551) equity shares of Rs. 10 each, fully paid up in Disk Cable Network Private Limited	4.26	4.26
87	446,700 (Previous year 134,000) equity shares of Rs. 10 each, fully paid up in Shaakumabari Den Media Private Limited	3.28	1.34
88	38,250 (Previous year 38,250) equity shares of Rs. 10 each, fully paid up in Silverline Television Network Private Limited	15.32	15.32
89	50,406 (Previous year 36,746) equity shares of Rs. 10 each, fully paid up in Eminent Cable Network Private Limited	12.43	1.50
90	60,984 (Previous year 27,418) equity shares of Rs. 10 each, fully paid up in Ekta Entertainment Network Private Limited	10.44	3.01
91	2,040,000 (Previous year 2,040,000) equity shares of Rs. 10 each, fully paid up in CCN DEN Network Private Limited	20.40	20.40
92	27,190 (Previous year 27,190) equity shares of Rs. 10 each, fully paid up in Devine Cable Network Private Limited	1.17	1.17
93	1,938,000 (Previous year 1,938,000) equity shares of Rs. 10 each, fully paid up in DEN ADN Network Private Limited	20.91	20.91
94	30,312 (Previous year 30,312) equity shares of Rs. 10 each, fully paid up in Nectar Entertainment Private Limited	1.35	1.35
95	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Trident Entertainment Private Limited	2.52	2.52
96	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Adhunik Cable Network Private Limited	1.58	1.58
97	5,100 (Previous year 5,100) equity shares of Rs. 10 each, fully paid up in Glimpse Communications Private Limited	3.34	3.34
98	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Indradhanush Cable Network Private Limited	4.27	4.27
99	25,500 (Previous year 25,500) equity shares of Rs. 10 each, fully paid up in Blossom Entertainment Private Limited	1.55	1.55
100	14,256 (Previous year 14,256) equity shares of Rs. 100 each, fully paid up in Multitrack Cable Network Private Limited	9.88	9.88
101	395,250 (Previous year 153,000) equity shares of Rs. 10 each, fully paid up in Rose Entertainment Private Limited	15.15	11.50
102	149,775 (Previous year 149,775) equity shares of Rs. 10 each, fully paid up in Libra Cable Networks Private Limited	25.11	25.11
103	11,859 (Previous year 11,859) equity shares of Rs. 100 each, fully paid up in Pee Cee Cable Network Private Limited	1.19	1.19
104	18,687 (Previous year 18,687) equity shares of Rs. 10 each, fully paid up in Den Discovery Digital Cable Network Private Limited	7.70	7.70
105	3,395,558 (Previous year 33,040) equity shares of Rs. 10 each, fully paid up in Mansion Cable Network Private Limited	303.51	15.86

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
106	127,500 (Previous year 127,500) equity shares of Rs. 10 each, fully paid up in Jhankar Cable Network Private Limited	4.01	4.01
107	5,100 (Previous year 5,100) equity shares of Rs. 10 each, fully paid up in Den Premium Multilink Cable Network Private Limited	0.05	0.05
108	102,000 (Previous year 102,000) equity shares of Rs. 10 each, fully paid up in Scorpio Cable Network Private Limited	2.51	2.51
109	51,000 (Previous year 51,000) equity shares of Rs. 10 each, fully paid up in Augment Cable Network Private Limited	3.01	3.01
110	72,675 (Previous year 72,675) equity shares of Rs. 10 each, fully paid up in Desire Cable Network Private Limited	7.52	7.52
111	98,410 (Previous year 98,410) equity shares of Rs. 10 each, fully paid up in Marble Cable Network Private Limited	3.51	3.51
		5,451.15	4,754.02
	ii. of joint ventures		
1	2,500,000 (Previous year 2,500,000) equity shares of Rs. 10 each, fully paid up in Star Den Media Services Private Limited	25.00	25.00
2	5,000,000 (Previous year Nil) equity shares of Rs. 10 each, fully paid up in Macro Commerce Private Limited	50.00	-
		75.00	25.00
	Aggregate of unquoted - long term trade investments in equity shares (i+ii) (I)	5,526.15	4,779.02
	b. Trade and unquoted - Investments in preference shares		
	i. of subsidiaries		
1	3% 5 years 750,000 (Previous year 750,000) non cumulative preference shares of Rs. 10 each in Den Kashi Cable Network Private Limited	37.50	37.50
2	13.5% 7 years 707,500 (Previous year 707,500) non cumulative preference shares of Rs. 10 each in Den Citi Channel Private Limited	7.08	7.08
3	13.5% 3 years 5,400,000 (Previous year 1,900,000) non cumulative preference shares of Rs. 10 each in Gemini Cable Network Private Limited	54.00	19.00
4	13.5% 7 years 2,500,000 (Previous year 2,500,000) non cumulative redeemable preference shares of Rs. 10 each in Meerut Cable Network Private Limited	25.00	25.00
5	5% 2 years 300,000 (Previous year 300,000) non cumulative redeemable preference shares of Rs. 10 each in Mahavir Den Entertainment Private Limited	3.00	3.00
6	7.5% 5 years 8,405,000 (Previous year 7,600,000) non cumulative redeemable preference shares of Rs. 10 each in Amogh Broad Band Services Private Limited	84.05	76.00
7	10% 5 years 4,670,000 (Previous year 4,670,000) non cumulative redeemable preference shares of Rs. 10 each in Mansion Cable Network Private Limited	46.70	46.70
		257.33	214.28
	(II)		
	<b>Total (I+II)</b>	<b>5,783.48</b>	<b>4,993.30</b>
	Less : Provision for diminution in value of investments	43.65	31.70
	<b>Total</b>	<b>5,739.83</b>	<b>4,961.60</b>

**Notes :**

- Of the above 34,042,370 (Previous year 19,188,728) equity shares amounting to Rs. 4,493.60 million (Previous year Rs. Rs. 3,865.59 million) of investments in subsidiaries are pledged with IDFC Limited against loans taken by the Company (See note 5)
- Of the above 11,257,500 (Previous year 2,607,500) preference shares amounting to Rs. 142.58 million (Previous year 26.08 million) of investments in subsidiaries are pledged with IDFC Limited against loans taken by the Company (See note 5)
- Of the above 39,741,390 (Previous year 22,992,338) equity shares amounting to Rs. 1,032.55 million (Previous year Rs. 913.43 million) of investments in subsidiaries and joint venture Company are yet to be pledged with IDFC Limited against loans taken by the Company.
- Of the above 11,475,000 (Previous year 15,820,000) preference shares amounting to Rs. 114.75 million (Previous year Rs. 188.20 million) of investments in subsidiaries are yet to be pledged with IDFC Limited against loans taken by the Company.

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>14.</b>	<b>LONG-TERM LOANS AND ADVANCES (Unsecured)</b>		
	i. Considered good		
	a. Capital advances	77.57	96.84
	b. Advance for investments	7.46	12.76
	c. Security deposits	52.10	43.35
	d. Prepaid expenses	28.66	37.44
	e. Advance tax [including tax deducted at source Rs. 1,131.66 million (Previous year Rs. 803.68 million) (Net of provision Rs. 217.06 million (Previous year Rs. 224.82 million))]	914.60	579.76
	f. MAT credit entitlement	4.09	18.26
	g. Deposits against cases with		
	i. Sales tax authority	54.44	34.74
	ii. Entertainment tax authorities	105.52	15.04
	iii. Entry tax authority	4.91	5.72
	ii. Considered doubtful		
	a. Advance for investments	54.15	54.15
		1,303.50	898.06
	Less: Provision for doubtful advances	54.15	54.15
		<b>1,249.35</b>	<b>843.91</b>
<b>15.</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	a. Deposits with banks with more than 12 months maturity*	-	119.95
	b. Receivable on sale under finance lease (See note 33)	227.78	734.98
	c. Receivable on sale of fixed assets	9.34	-
		<b>237.12</b>	<b>854.93</b>

\* Under lien as margin money with bank for term loans Rs. Nil (Previous year Rs. 119.95 million)

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>16.</b>	<b>CURRENT INVESTMENTS (At Cost)</b>		
	a. Unquoted - Investments in units of mutual funds (at lower of cost or fair value) (other than trade)**		
1	Nil (Previous year 1,461,629) units of Rs. 53.96 in Birla Sun Life Income Plus Growth Regular Plan	-	78.87
2	221,644 (Previous year 232,437) units of Rs. 1,691.90 in IDFC Cash Fund Growth*	375.00	358.00
3	Nil (Previous year 1,727,920) units of Rs. 29.42 in IDFC Super Saver Income Fund Investment Plan Growth Regular Plan	-	50.84
4	Nil (Previous year 160,956) units of Rs. 1,754.59 in Reliance Money Manager fund Growth Option	-	282.41
5	Nil (Previous year 710,334) units of Rs. 307.98 in Birla Sunlife Cash Manager-Growth -Regular plan	-	218.77
6	Nil (Previous year 5,000,000) units of Rs. 10 in Birla Sun Life Fixed Term Plan Series HB Regular Growth	-	50.00
7	20,000,000 (Previous year 20,000,000) units of Rs. 10 in Birla Sunlife Fixed Term Plan -Series IU (527 days)-Gr.Regular***	200.00	200.00
8	Nil (Previous year 7,000,000) units of Rs. 10 in Birla Sunlife Interval Income Fund Annual Plan IX Gr Regular	-	70.00
9	Nil (Previous year 10,469,794) units of Rs. 10 in Birla Sunlife Fixed term Plan -Series KF(368 days) Gr Regular	-	104.70
10	10,642,488 (Previous year 10,642,488) units of Rs. 10 in DWS FMP sr-49-Regular Plan -growth***	106.42	106.43

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
11	Nil (Previous year 10,000,000) units of Rs. 10 in DSP Black Rock FMP Series 126-12 M -Reg - Growth	-	100.00
12	Nil (Previous year 30,674) units of Rs. 1,735.91 in DSP Black Rock Money Manager Fund Regular Plan Growth	-	53.25
13	Nil (Previous year 10,000,000) units of Rs. 10 in HDFC FMP 370D Feb 2014(1) sr-29 reg growth	-	100.00
14	Nil (Previous year 10,000,000) units of Rs. 10 in DWS Fixed Maturity Plan Series -39 -Regular Plan -Growth	-	100.00
15	Nil (Previous year 3,943,926) units of Rs. 20.76 in L&T Ultra Short Term Growth	-	81.89
16	5,000,000 (Previous year 5,000,000) units of Rs. 10 in HDFC FMP 538D Nov 2013 (1) series 28-Regular -Growth***	50.00	50.00
17	Nil (Previous year 2,918,661) units of Rs. 16.83 in ICICI Income Opportunities Fund Regular Plan Growth	-	49.13
18	20,000,000 (Previous year 20,000,000) units of Rs. 13.43 in L&T FMP Series 9-Plan Growth***	200.00	200.00
19	Nil (Previous year 20,000,000) units of Rs. 10 in ICICI Prudential FMP Series 70-367 days Plan N regular Plan Cumulative	-	200.00
20	Nil (Previous year 10,089,487) units of Rs. 10 in ICICI Prudential FMP Series 71 -366 D Plan C regular Plan Cumulative	-	100.89
21	5,000,000 (Previous year 5,000,000) units of Rs. 10 in ICICI Prudential FMP Series 71 -525 days Plan D regular Plan Cumulative***	50.00	50.00
22	Nil (Previous year 8,121,351) units of Rs. 10 in IDFC Fixed Term Plan Series 24 regular Plan	-	81.21
23	Nil (Previous year 10,000,000) units of Rs. 10 in Reliance Fixed Horizon Fund XXV- sr 24 Growth Plan	-	100.00
24	Nil (Previous year 20,065,603) units of Rs. 10 in L&T FMP Series 9-Plan-G Growth	-	200.66
25	5,000,000 (Previous year 5,000,000) units of Rs. 10 in L&T FMP Series 10 Plan H***	50.00	50.00
26	Nil (Previous year 5,385,846) units of Rs. 12.28 in L&T Triple Ace Bond Fund Bonus Original	-	66.11
27	Nil (Previous year 5,000,000) units of Rs. 10 in Reliance Fixed Horizon Fund XXIV Sr 4 Growth Plan	-	50.00
28	Nil (Previous year 6,674,152) units of Rs. 23.55 in Reliance Short Term Fund-Growth Plan- Growth Option	-	157.17
29	20,000,000 (Previous year 20,000,000) units of Rs. 10 in SBI Debt Fund Series -18 Month 13 -Regular -Growth***	200.00	200.00
30	Nil (Previous year 10,435,651) units of Rs. 10 in SBI Debt Fund Series -366 days 47 Regular Plan -Growth	-	104.36
	<b>Aggregate of unquoted - current investment in units of mutual funds</b>	<b>1,231.42</b>	<b>3,614.69</b>

\* 221,644 units (Previous year 232,437 units) are under lien with IDFC for term loan taken

\*\* Having total NAV of Rs. 1,337.73 million (Previous year Rs. 3,696.86 million)

\*\*\* 85,642,488 units are under lock in period having total value of Rs. 856.42 million

<b>17. TRADE RECEIVABLES (Unsecured)</b>			
a.	Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	i. Considered good	690.42	626.17
	ii. Considered doubtful	387.10	250.20
		<b>1,077.52</b>	<b>876.37</b>
	Less: Provision for doubtful trade receivables	387.10	250.20
		<b>690.42</b>	<b>626.17</b>
b.	Other trade receivables (considered good)	2,588.02	2,209.38
		<b>3,278.44</b>	<b>2,835.55</b>

Particulars		As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>18. CASH AND CASH EQUIVALENTS</b>			
A.	Cash and cash equivalents (as per AS-3 Cash Flow Statement)		
a.	Cash on hand	3.86	9.44
b.	Cheques on hand	-	0.05
c.	Balance with scheduled banks		
	i. in current accounts	747.41	1,237.50
	ii. in deposit accounts		
	- original maturity of 3 months or less	-	112.49
	<b>(A)</b>	<b>751.27</b>	<b>1,359.48</b>
B.	Other bank balances		
	i. in deposit accounts		
	- original maturity more than 3 months*	6,603.76	6,026.69
	- original maturity of 3 months or less**	-	7.50
	<b>(B)</b>	<b>6,603.76</b>	<b>6,034.19</b>
	<b>(A+B)</b>	<b>7,355.03</b>	<b>7,393.67</b>
*	a. Under lien as security with:		
	- Tax authorities for statutory registrations	-	0.27
	- Financial Institutions as Debt Service Reserve Account	-	30.96
	- Financial Institution to secure term loan to subsidiaries	80.00	50.00
	b. Include deposits with remaining maturity of more than 12 months from the balance sheet date	72.52	177.00
	c. Under lien as margin money with banks against letters of credit/ bank guarantees/ term loans.	2,170.22	1,007.73
**	Under lien as margin money with banks against letters of credit/ bank guarantees/ term loans.	-	7.50
<b>19. SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered Good)</b>			
a.	Loans and advances to related parties (See note 29)		
	i. Advances recoverable	183.47	64.45
	ii. Loans to subsidiaries	650.51	396.16
	iii. Share application money paid pending allotment	11.21	60.50
		<b>845.19</b>	<b>521.11</b>
b.	Security deposits	10.70	14.33
c.	Prepaid expenses	71.80	61.69
d.	Balance with government authorities		
	i. CENVAT credit receivable	84.52	196.40
	ii. VAT credit receivable	0.19	6.93
	iii. Service tax credit receivable	30.98	115.15
		<b>115.69</b>	<b>318.48</b>
e.	<b>Others</b>		
	i. Supplier advances	119.75	30.03
	ii. Amount recoverable from DNL Employees Welfare Trust	0.36	-
	iii. Other advances	5.06	4.92
		<b>1,168.55</b>	<b>950.56</b>
<b>20. OTHER CURRENT ASSETS (Unsecured, Considered Good)</b>			
a.	Unbilled revenue	292.89	290.18

Particulars		As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
b.	Interest accrued but not due on fixed deposits	288.78	287.81
c.	Interest accrued and due on others	123.59	139.37
d.	Others		
	i. Receivable on sale of fixed assets	363.32	796.68
	ii. Receivable on sale under finance lease (See note 33)	443.30	200.43
	iii. Others	0.16	0.16
		<b>1,512.04</b>	<b>1,714.63</b>
<b>21. REVENUE FROM OPERATIONS</b>			
a.	Operating revenue	8,173.20	7,388.66
b.	Other operating revenue		
	i. Sale of equipment	276.80	1,223.57
		<b>8,450.00</b>	<b>8,612.23</b>
<b>22. OTHER INCOME</b>			
a.	Interest income		
	i. on fixed deposits [including tax deducted at source Rs. 30.14 million (Previous year Rs. 14.47 million)]	608.61	358.24
	ii. on loans to subsidiaries and joint venture [including tax deducted at source Rs. 6.29 million (Previous year Rs. 4.55 million)]	69.14	61.15
	iii. on income tax refund	-	6.20
	iv. on sale under finance lease [including tax deducted at source Rs. 6.20 million (Previous year Rs. 6.76 million)]	70.71	94.86
b.	Net gain on sale of current investments (other than trade and unquoted)	204.23	168.48
c.	Dividend income		
	i. from current investments - others	0.87	7.83
	ii. from long term investments - subsidiaries	14.89	2.06
d.	Other non-operating income		
	i. Profit on sale of fixed assets	9.51	0.70
	ii. Liabilities/ excess provisions written back	2.90	50.87
	iii. Miscellaneous income	3.85	3.54
		<b>984.71</b>	<b>753.93</b>
<b>23. EMPLOYEE BENEFITS EXPENSE</b>			
a.	Salaries and allowances	544.72	444.02
b.	Contribution to provident and other funds [See note 35]	27.36	23.69
c.	Gratuity expense [See note 35 (B) (ii)]	9.89	9.70
d.	Staff welfare expenses	30.00	23.52
		<b>611.97</b>	<b>500.93</b>
<b>24. FINANCE COSTS</b>			
a.	Interest on loans from banks	713.95	774.25
b.	Other borrowing costs	51.56	53.75
		<b>765.51</b>	<b>828.00</b>
<b>25. OTHER EXPENSES</b>			
a.	Content cost	2,470.91	1,837.53
b.	Placement fees	2,095.04	2,031.78

Particulars		As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
c.	Cost of traded items	275.06	1,244.04
d.	Distributor commission/ incentive	150.13	91.79
e.	Rent and hire charges (See note 31)	141.26	110.68
f.	Repairs and maintenance		
	i. Plant and machinery	242.33	180.73
	ii. Others	86.40	64.49
g.	Power and fuel	64.12	48.49
h.	Director's sitting fees	1.23	0.44
i.	Consultancy, professional and legal charges*	241.39	166.74
j.	Expenditure on corporate social responsibility	4.67	-
k.	Brokerage/ commission	26.70	12.56
l.	Subscription share/ charges	1,133.08	637.77
m.	Contract service charges	132.09	70.76
n.	Printing and stationery	7.61	13.70
o.	Travelling and conveyance	108.14	94.76
p.	Advertisement, publicity and business promotion	72.34	42.65
q.	Communication expenses	29.84	29.74
r.	Leaseline expenses	265.51	166.73
s.	Security charges	18.67	15.70
t.	Freight and labour charges	12.43	15.73
u.	Insurance	10.56	9.12
v.	Rates and taxes	94.61	20.88
w.	Provision for doubtful trade receivables	136.90	149.70
x.	Bad trade receivables and advances written off	222.32	33.74
y.	Provision for diminution in value of investments in subsidiary companies	11.95	-
z.	Fixed assets/ capital work in progress written off	1.36	4.25
aa.	Loss on sale of investment	-	92.54
ab.	Net loss on foreign currency transactions and translation	14.60	11.57
ac.	Miscellaneous expenses	36.73	28.14
		<b>8,107.98</b>	<b>7,226.75</b>
* Consultancy, professional and legal charges includes Auditors' remuneration as under :			
a.	To statutory auditors		
	For audit	5.70	5.50
	For other services	3.78	4.76
b.	To cost auditors for cost audit	0.05	0.05
		<b>9.53</b>	<b>10.31</b>

## 26. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

### a. Capital commitments

Estimated amount of contracts remaining to be executed on tangible capital account (net of advances) Rs. 459.00 million [Previous year Rs. 1,900.92 million].

### b. Contingent liabilities

Claims against the Company not acknowledged as debts\*

		As at 31 <sup>st</sup> March, 2015 (Rs. in million)	As at 31 <sup>st</sup> March, 2014 (Rs. in million)
a)	Bank guarantee issued	34.56	22.50
b)	Corporate guarantee issued by the Company	250.00	250.00
c)	Outstanding letter of credits	216.72	19.25
d)	Demand raised by UP Commercial Tax Department for payment of VAT on transfer of STB's	160.27	26.04
e)	Demand raised by Delhi Entertainment Tax Department for payment of Entertainment Tax	890.08	84.70
f)	Demand raised by UP Entertainment Tax Department for payment of Entertainment Tax	43.11	-
g)	Demand raised by Madhya Pradesh Entertainment Tax department for payment of Entertainment Tax	3.65	3.65
h)	Demand raised by Rajasthan Entry Tax department for payment of Entry Tax	25.30	25.30
i)	Demand raised by Bihar Commercial Tax Department for payment of VAT on transfer of STB's	24.95	-
j)	Demand raised by Karnataka Commercial Tax Department for payment of VAT on transfer of STB's	21.51	-
k)	Demand raised by Kerala Commercial Tax Department for payment of VAT on transfer of STB's	22.88	-

\* No provision is considered necessary since the company expects favourable decisions. The advance paid against the above is Rs. 164.87 million (previous year Rs. 55.50 million).

## 27. SEGMENT INFORMATION

The Company has identified business segments as its primary segment. Business segments consists of primarily Cable segment and Broadband segment. Cable segment consists of distribution and promotion of television channels. Broadband segment consists of providing internet services. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocated to segments have been disclosed as unallocated expenses. Assets and liabilities that are directly attributable or allocated to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocated. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

	(Rs. in million)		
Particulars	Cable	Broadband	Total
Revenue from operations	8,369.35	80.65	8,450.00
	8,577.05	35.18	8,612.23
Other non-operating income	15.92	0.34	16.26
	54.92	0.19	55.11
Segment revenue	8,385.27	80.99	8,466.26
	8,631.97	35.37	8,667.34
Segment result	(1,009.71)	(470.61)	(1,480.32)
	(50.31)	(18.17)	(68.48)
Unallocated expenses (net)			(359.83)
			(334.37)
Operating profit/ (loss)			(1,120.49)
			265.89



Particulars	Cable	Broadband	Total
Interest expense			<b>765.51</b>
			828.00
Interest income			<b>(748.46)</b>
			(520.45)
Profit/ (loss) before taxes			<b>(1,137.54)</b>
			(41.66)
Less: Tax expense			<b>(29.47)</b>
			(93.31)
Profit/ (loss) for the year			<b>(1,108.07)</b>
			51.65
<b>Other information</b>			
Segment assets	<b>19,244.59</b>	<b>706.17</b>	<b>19,950.76</b>
	18,252.45	119.16	18,371.61
Unallocated assets			<b>9,717.03</b>
			11,896.16
Total assets			<b>29,667.79</b>
			30,267.77
Segment liabilities	<b>8,242.61</b>	<b>1,241.64</b>	<b>9,484.25</b>
	8,796.31	171.73	8,968.04
Unallocated liabilities			<b>3,696.75</b>
			3,695.37
<b>Total liabilities</b>			<b>13,181.00</b>
			12,663.41
Capital expenditure(allocable)	<b>6,992.25</b>	<b>686.62</b>	<b>7,678.87</b>
	6,801.09	116.49	6,917.58
Depreciation and amortisation(allocable)	<b>1,056.34</b>	<b>30.45</b>	<b>1,086.79</b>
	851.67	0.47	852.14
Other significant non-cash expenses (allocable)	<b>149.71</b>	<b>0.50</b>	<b>150.21</b>
	246.49	-	246.49
Other significant non-cash expenses (unallocable)			<b>765.51</b>
			828.00

Note: Amount in italics represents previous year's figures.

The disclosures as required under Accounting Standard 17 on secondary segment has not been provided as the Company deals in one geographical area.

28. During the previous year, the Company had paid managerial remuneration to Chairman and Managing Director amounting to Rs. 24.93 million. Of this, remuneration amounting to Rs. 13.42 million was paid in excess of the provisions of Section 198 and 309 read with Schedule XIII of the Companies Act, 1956 for which the approval from the Central Government has been received in the current financial year.

## 29. RELATED PARTY DISCLOSURES

### I. List of related parties

- a. Related parties where control exists
  - i. Subsidiaries held directly
    1. Den Mahendra Satellite Private Limited
    2. Den Mod Max Cable Network Private Limited
    3. Den Krishna Cable TV Network Private Limited
    4. Den Pawan Cable Network Private Limited
    5. DEN BCN Suncity Network Private Limited
    6. Den Harsh Mann Cable Network Private Limited
    7. Den Classic Cable TV Services Private Limited

8. DEN Bindra Network Private Limited
9. DEN Montooshah Network Private Limited
10. DEN Ashu Cable Private Limited
11. Shree Siddhivinayak Cable Network Private Limited
12. Drashti Cable Network Private Limited
13. DEN MCN Cable Network Private Limited
14. Mahadev Den Network Private Limited
15. Mahadev Den Cable Network Private Limited
16. Den Patel Entertainment Network Private Limited
17. DEN Digital Cable Network Private Limited
18. Den Malayalam Telenet Private Limited
19. DEN Bellary City Cable Private Limited
20. DEN-Manoranjan Satellite Private Limited
21. DEN Supreme Satellite Vision Private Limited
22. DEN Nashik City Cable Network Private Limited
23. Radiant Satellite (India) Private Limited
24. Den Radiant Satelite Cable Network Private Limited
25. Den MewarRajdev Cable Network Private Limited
26. DEN RIS Cable Network Private Limited
27. DEN Sky Media Network Private Limited
28. Den Prince Network Private Limited
29. Den Varun Cable Network Private Limited
30. Den Crystal Vision Network Private Limited
31. Meerut Cable Network Private Limited
32. DEN Jai Ambey Vision Cable Private Limited
33. DEN Fateh Marketing Private Limited
34. Den Enjoy Cable Networks Private Limited
35. Den MaaSharda Vision Cable Networks Private Limited
36. Den F K Cable TV Network Private Limited
37. Den Shiva Cable Network Private Limited
38. Den Pradeep Cable Network Private Limited
39. Den Satellite Cable TV Network Private Limited
40. Den Narmada Network Private Limited
41. Den Ambey Cable Networks Private Limited
42. Den Budaun Cable Network Private Limited
43. DEN Aman Entertainment Private Limited
44. Den Kashi Cable Network Private Limited
45. Den Futuristic Cable Networks Private Limited
46. Den Digital Entertainment Gujarat Private Limited
47. Aster Entertainment Private Limited
48. Den Entertainment Network Private Limited
49. Shine Cable Network Private Limited
50. Den Rajkot City Communication Private Limited
51. Den Elgee Cable Vision Private Limited
52. Den Malabar Cable Vision Private Limited
53. Amogh Broad Band Services Private Limited
54. Galaxy Den Media & Entertainment Private Limited

55. Den UCN Network India Private Limited
56. Bali Den Cable Network Private Limited
57. Mahavir Den Entertainment Private Limited
58. Den Citi Channel Private Limited
59. Den Satellite Network Private Limited
60. Fab Den Network Private Limited
61. Fortune (Baroda) Network Private Limited
62. Den Infoking Channel Entertainers Private Limited
63. United Cable Network (Digital) Private Limited
64. Shri Ram Den Network Private Limited
65. Den Krishna Vision Private Limited
66. CAB-I-NET Communications Private Limited
67. Den Sahyog Cable Network Private Limited
68. Den Sariga Communications Private Limited
69. Den Sports & Entertainment Private Limited (formerly known as IME Networks Private Limited)
70. Den Kattakada Telecasting and Cable Services Private Limited
71. Den A.F. Communication Private Limited
72. SreeGokulamStarnet Communication Private Limited
73. Big Den Entertainment Private Limited
74. Ambika Den Cable Network Private Limited
75. Den Steel City Cable Network Private Limited
76. Crystal Vision Media Private Limited
77. Victor CableTV Network Private Limited
78. Sanmati Den Cable TV Network Private Limited
79. Multi Channel Cable Network Private Limited
80. Gemini Cable Network Private Limited
81. Multi Star Cable Network Private Limited
82. VM Magic Entertainment Private Limited
83. Matrix Cable Network Private Limited
84. Antique Communications Private Limited
85. Sanmati Entertainment Private Limited
86. Disk Cable Network Private Limited
87. Shaakumbari Den Media Private Limited
88. Silverline Television Network Private Limited
89. Ekta Entertainment Network Private Limited
90. Libra Cable Network Private Limited
91. DEN ADN Network Private Limited
92. CCN DEN Network Private Limited
93. Devine Cable Network Private Limited
94. Nectar Entertainment Private Limited
95. Pee Cee Cable Network Private Limited
96. Multitrack Cable Network Private Limited
97. Glimpse Communications Private Limited
98. Indradhanush Cable Network Private Limited
99. Adhunik Cable Network Private Limited
100. Blossom Entertainment Private Limited
101. Rose Entertainment Private Limited

102. Trident Entertainment Private Limited
103. Eminent Cable Network Private Limited
104. Mansion Cable Network Private Limited (w.e.f. 8-Apr-13)
105. DEN Discovery Digital Networks Private Limited (w.e.f. 29-Jun-13)
106. Jhankaar Cable Network Private Limited (w.e.f. 17-Jul-13)
107. Den Premium Multilink Cable Network Private Limited (w.e.f. 1-Jul-13)
108. Scorpio Cable Network Private Limited (w.e.f. 1-Nov-13)
109. Desire Cable Network Private Limited (w.e.f. 1-Feb-14)
110. Marble Cable Network Private Limited (w.e.f. 1-Feb-14)
111. Augment Cable Network Private Limited (w.e.f. 1-Feb-14)

**ii. Subsidiaries held indirectly**

1. Den Nanak Communication Private Limited
2. DEN Saya Channel Network Private Limited
3. Den Ambey Citi Cable Network Private Limited
4. Den Enjoy Navaratan Network Private Limited
5. Den Ambey Jhansi Cable Network Private Limited
6. Den Deva Cable Network Private Limited
7. DEN Faction Communication System Private Limited
8. Den AmbeyFarukabad Cable Network Private Limited
9. Star Channel Den Network Private Limited
10. Kishna Den Cable Networks Private Limited
11. Divya Drishti Den Cable Network Private Limited
12. DEN New Broad Communication Private Limited
13. Den Soccer Private Limited (formerly known as Astron Media Networks Private Limited)
14. Fun Cable Network Private Limited
15. Rajasthan Entertainment Private Limited
16. Kerela Entertainment Private Limited
17. Uttar Pradesh Digital Cable Network Private Limited
18. Saturn Digital Cable Private Limited
19. Den Enjoy SBNM Cable Network Private Limited
20. Capital Entertainment Private Limited
21. Bhadohi DEN Entertainment Private Limited
22. DEN STN Television Network Private Limited
23. Srishti Den Networks Private Limited (formerly known as Platinum Cable TV Network Private Limited)
24. Maitri Cable Network Private Limited
25. Melody Cable Network Private Limited
26. Mountain Cable Network Private Limited
27. Portrait Cable Network Private Limited
28. Den Prayag Cable Networks Private Limited
29. Skynet Cable Network Private Limited (w.e.f. 25-Apr-13)
30. DEN ABC Cable Network Ambarnath Private Limited (w.e.f. 1-Jul-13)
31. Konark IP Dossiers Private Limited (w.e.f. 1-Jul-13)
32. Angel Cable Network Private Limited (w.e.f. 1-Nov-13)
33. ABC Cable Network Private Limited (w.e.f. 1-Jan-14)
34. Den MTN Star Vision Networks Private Limited (w.e.f. 1-Jan-14)

**iii. Jointly controlled entities**

1. Star Den Media Services Private Limited

2. Media Pro Enterprise India Private Limited
3. Macro Commerce Private Limited (w.e.f. 15-Jan-15)

**b. Entities under significant influence**

1. Access Financial Services Limited

**c. Key managerial personnel**

1. Mr. Sameer Manchanda (Chairman and Managing Director)

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

(Rs. in million)

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
<b>A.</b>	<b>Transactions during the year</b>						
i.	Operating revenue						
	Den Satellite Network Private Limited	145.73	-	-	-	-	145.73
		(107.74)	(-)	(-)	(-)	(-)	(107.74)
	Others	913.60	123.15	6.57	-	-	1,043.32
		(771.01)	(118.23)	(-)	(-)	(-)	<b>(889.24)</b>
	Total	1,059.33	123.15	6.57	-	-	1,189.05
		(878.75)	(118.23)	(-)	(-)	(-)	(996.98)
ii.	Other operating revenue						
<b>a.</b>	<b>Sale of equipment</b>						
	Den Ambey Cable Networks Private Limited	141.95	-	-	-	-	141.95
		(183.90)	(-)	(-)	(-)	(-)	(183.90)
	Den Enjoy Cable Networks Private Limited	53.63	-	-	-	-	53.63
		(161.30)	(-)	(-)	(-)	(-)	<b>(161.30)</b>
	Den Satellite Network Private Limited	1.06	-	-	-	-	<b>1.06</b>
		(264.18)	(-)	(-)	(-)	(-)	<b>(264.18)</b>
	Eminent Cable Network Private Limited	3.27	-	-	-	-	<b>3.27</b>
		(135.17)	(-)	(-)	(-)	(-)	<b>(135.17)</b>
	Others	69.19	<b>6.20</b>	-	-	-	<b>75.39</b>
		(459.67)	<b>(19.16)</b>	(-)	(-)	(-)	<b>(478.83)</b>
	Total	<b>269.10</b>	<b>6.20</b>	-	-	-	<b>275.30</b>
		<b>(1,204.22)</b>	<b>(19.16)</b>	(-)	(-)	(-)	<b>(1,223.38)</b>
iii.	Other income						
<b>a.</b>	Interest income on loans to subsidiaries						
	Shine Cable Network Private Limited	<b>28.13</b>	-	-	-	-	28.13
		<b>(20.96)</b>	(-)	(-)	(-)	(-)	(20.96)
	Den Soccer Private Limited	-	<b>19.18</b>	-	-	-	<b>19.18</b>
		(-)	<b>(0.19)</b>	(-)	(-)	(-)	<b>(0.19)</b>
	Den Futuristic Cable Networks Private Limited	<b>11.37</b>	-	-	-	-	<b>11.37</b>
		<b>(11.51)</b>	(-)	(-)	(-)	(-)	<b>(11.51)</b>

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
	Others	7.73	1.97	0.76	-	-	10.46
		(26.52)	(1.97)	(-)	(-)	(-)	(28.49)
	Total	47.23	21.15	0.76	-	-	69.14
		(58.99)	(2.16)	(-)	(-)	(-)	(61.15)
b.	Interest income on sale of assets under finance lease						
	Den Rajkot City Communication Private Limited	12.87	-	-	-	-	12.87
		(15.58)	(-)	(-)	(-)	(-)	(15.58)
	Eminent Cable Network Private Limited	12.82	-	-	-	-	12.82
		(14.82)	(-)	(-)	(-)	(-)	(14.82)
	Den-Manoranjan Satellite Private Limited	10.53	-	-	-	-	10.53
		(13.65)	(-)	(-)	(-)	(-)	(13.65)
	Den Ambey Cable Networks Private Limited	9.84	-	-	-	-	9.84
		(13.62)	(-)	(-)	(-)	(-)	(13.62)
	Den Discovery Digital Networks Private Limited	12.25	-	-	-	-	12.25
		(12.91)	(-)	(-)	(-)	(-)	(12.91)
	Den Enjoy Cable Networks Private Limited	8.83	-	-	-	-	8.83
		(12.04)	(-)	(-)	(-)	(-)	(12.04)
	Others	3.57	-	-	-	-	3.57
		(12.24)	(-)	(-)	(-)	(-)	(12.24)
	Total	70.71	-	-	-	-	70.71
		(94.86)	(-)	(-)	(-)	(-)	(94.86)
c.	Dividend income						
	Mansion Cable Network Private Limited	13.20	-	-	-	-	13.20
		(-)	(-)	(-)	(-)	(-)	(-)
		1.69	-	-	-	-	1.69
	Den Aman Entertainment Private Limited	(-)	(-)	(-)	(-)	(-)	(-)
		-	-	-	-	-	-
	Den Krishna Cable Tv Network Private Limited	(1.95)	(-)	(-)	(-)	(-)	(1.95)
		-	-	-	-	-	-
	Others	(0.11)	(-)	(-)	(-)	(-)	(0.11)
		14.89	-	-	-	-	14.89
	Total	(2.06)	(-)	(-)	(-)	(-)	(2.06)
d.	Liabilities/ excess provisions written back						
		-	-	1.09	-	-	1.09

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
	Star Den Media Services Private Limited	(-)	(-)	(-)	(-)	(-)	(-)
		-	-	-	-	-	-
	Aster Entertainment Private Limited	(6.00)	(-)	(-)	(-)	(-)	(6.00)
		-	-	0.11	-	-	0.11
	Others	(0.24)	(0.01)	(-)	(-)	(-)	(0.25)
		-	-	1.20	-	-	1.20
	<b>Total</b>	<b>(6.24)</b>	<b>(0.01)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(6.25)</b>
iv.	Purchase of services						
		-	-	122.21	-	-	122.21
	Media Pro Enterprise India Private Limited	(-)	(-)	(745.63)	(-)	(-)	(745.63)
		2,293.49	322.33	-	9.00	-	2,624.82
	Others	(2,002.57)	(269.01)	(-)	(10.80)	(-)	(2,282.38)
		2,293.49	322.33	122.21	9.00	-	2,747.03
	<b>Total</b>	<b>(2,002.57)</b>	<b>(269.01)</b>	<b>(745.63)</b>	<b>(10.80)</b>	<b>(-)</b>	<b>(3,028.01)</b>
v.	Managerial remuneration						
	Sameer Manchanda	-	-	-	-	26.04	26.04
		(-)	(-)	(-)	(-)	(24.93)	(24.93)
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26.04</b>	<b>26.04</b>
		(-)	(-)	(-)	(-)	(24.93)	(24.93)
vi.	Bad trade receivables written off						
	Amogh Broad Band Services Private Limited	14.88	-	-	-	-	14.88
		(-)	(-)	(-)	(-)	(-)	(-)
	Den Ambey Cable Networks Private Limited	13.99	-	-	-	-	13.99
		(-)	(-)	(-)	(-)	(-)	(-)
	Others	78.12	15.45	3.30	-	-	96.87
		(5.29)	(-)	(-)	(7.50)	(-)	(12.79)
	<b>Total</b>	<b>106.99</b>	<b>15.45</b>	<b>3.30</b>	<b>-</b>	<b>-</b>	<b>125.74</b>
		(5.29)	(-)	(-)	(7.50)	(-)	(12.79)
vii.	Purchase of fixed assets						
	Den Rajkot City Communication Private Limited	1.96	-	-	-	-	1.96
		(-)	(-)	(-)	(-)	(-)	(-)
	Den Ambey Cable Networks Private Limited	-	-	-	-	-	-
		(67.02)	(-)	(-)	(-)	(-)	(67.02)
	<b>Total</b>	<b>1.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.96</b>
		(67.02)	(-)	(-)	(-)	(-)	(67.02)

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
viii.	Sale of fixed assets						
	Den Ambey Cable Networks Private Limited	56.59	-	-	-	-	56.59
		(14.42)	(-)	(-)	(-)	(-)	(14.42)
	Den Enjoy Cable Networks Private Limited	16.18	-	-	-	-	16.18
		(26.20)	(-)	(-)	(-)	(-)	(26.20)
	Mansion Cable Network Private Limited	0.39	-	-	-	-	0.39
		(251.12)	(-)	(-)	(-)	(-)	(251.12)
	Eminent Cable Network Private Limited	4.90	-	-	-	-	4.90
		(122.03)	(-)	(-)	(-)	(-)	(122.03)
	Others	20.31	-	-	-	-	20.31
		(181.37)	(59.07)	(-)	(-)	(-)	(240.44)
	Total	98.37	-	-	-	-	98.37
		(595.14)	(59.07)	(-)	(-)	(-)	(654.21)
ix.	Reimbursement of expenses (received)						
	Den Soccer Private Limited	-	0.82	-	-	-	0.82
		(-)	(0.03)	(-)	(-)	(-)	(0.03)
	Den Ambey Cable Networks Private Limited	0.40	-	-	-	-	0.40
		(2.69)	(-)	(-)	(-)	(-)	(2.69)
	Den Enjoy Cable Networks Private Limited	0.17	-	-	-	-	0.17
		(3.29)	(-)	(-)	(-)	(-)	(3.29)
	Mansion Cable Network Private Limited	0.23	-	-	-	-	0.23
		(2.85)	(-)	(-)	(-)	(-)	(2.85)
	Others	2.97	1.29	0.02	0.01	-	4.29
		(16.62)	(1.09)	(-)	(-)	(-)	(17.71)
	Total	3.77	2.11	0.02	0.01	-	5.91
		(25.45)	(1.12)	(-)	(-)	(-)	(26.57)
	Den Ambey Cable Networks Private Limited	0.14	-	-	-	-	0.14
		(-)	(-)	(-)	(-)	(-)	(-)
	Matrix Cable Network Private Limited	0.01	-	-	-	-	0.01
		(9.82)	(-)	(-)	(-)	(-)	(9.82)
	Den Supreme Satellite Vision Private Limited	-	-	-	-	-	-
		(5.47)	(-)	(-)	(-)	(-)	(5.47)
	Others	0.51	0.40	-	-	-	0.91



	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
		(2.53)	(0.31)	(-)	(-)	(-)	(2.84)
	Total	0.66	0.40	-	-	-	1.06
		(17.82)	(0.31)	(-)	(-)	(-)	(18.13)
xi.	Investments made during the year						
	Den Sports & Entertainment Private Limited	200.00	-	-	-	-	200.00
		(-)	(-)	(-)	(-)	(-)	(-)
	Mansion Cable Network Private Limited	137.28	-	-	-	-	137.28
		(62.30)	(-)	(-)	(-)	(-)	(62.30)
	Amogh Broad Band Service Private Limited	8.05	-	-	-	-	8.05
		(176.00)	(-)	(-)	(-)	(-)	(176.00)
	Den Digital Entertainment Gujarat Private Limited	-	-	-	-	-	-
		(120.00)	(-)	(-)	(-)	(-)	(120.00)
	Others	141.19	-	49.90	-	-	191.09
		(322.36)	(-)	(-)	(-)	(-)	(322.36)
	Total	486.52	-	49.90	-	-	536.42
		(680.66)	(-)	(-)	(-)	(-)	(680.66)
xii.	Investments sold during the year						
	Den Ambey Cable Networks Private Limited	-	-	-	-	-	-
		(2.04)	(-)	(-)	(-)	(-)	(2.04)
	Total	-	-	-	-	-	-
		(2.04)	(-)	(-)	(-)	(-)	(2.04)
xiii.	Loans given during the year						
	Shine Cable Network Private Limited	24.60	-	-	-	-	24.60
		(82.20)	(-)	(-)	(-)	(-)	(82.20)
	Den Digital Entertainment Gujarat Private Limited	2.00	-	-	-	-	2.00
		(41.00)	(-)	(-)	(-)	(-)	(41.00)
	Den Soccer Private Limited	-	403.50	-	-	-	403.50
		(-)	(61.01)	(-)	(-)	(-)	(61.01)
	Others	-	-	17.60	-	-	17.60
		(57.14)	(-)	(-)	(-)	(-)	(57.14)
	Total	26.60	403.50	17.60	-	-	447.70
		(180.34)	(61.01)	(-)	(-)	(-)	(241.35)
xiv.	Loans received back during the year						
	Den Soccer Private Limited	-	129.66	-	-	-	129.66

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
		(-)	(-)	(-)	(-)	(-)	(-)
	Den Mewar Rajdev Cable Network Private Limited	21.02	-	-	-	-	21.02
		(-)	(-)	(-)	(-)	(-)	(-)
	Den Digital Entertainment Gujarat Private Limited	-	-	-	-	-	-
		(69.12)	(-)	(-)	(-)	(-)	(69.12)
	Den Entertainment Network Private Limited	-	-	-	-	-	-
		(57.10)	(-)	(-)	(-)	(-)	(57.10)
	Others	25.07	-	17.60	-	-	42.67
		(130.05)	(-)	(-)	(-)	(-)	(130.05)
	<b>Total</b>	<b>46.09</b>	<b>129.66</b>	<b>17.60</b>	<b>-</b>	<b>-</b>	<b>193.35</b>
		(256.27)	(-)	(-)	(-)	(-)	(256.27)
xv.	"Provision for diminution in value of investments in subsidiary companies"						
	Others	11.95	-	-	-	-	11.95
		(-)	(-)	(-)	(-)	(-)	(-)
	<b>Total</b>	<b>11.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.95</b>
		(-)	(-)	(-)	(-)	(-)	(-)
B.	Outstanding balances at year end						
i.	Trade payables						
	Media Pro Enterprise India Private Limited	-	-	-	-	-	-
		(-)	(-)	(159.25)	(-)	(-)	(159.25)
	Den Enjoy Cable Networks Private Limited	190.16	-	-	-	-	190.16
		(75.70)	(-)	(-)	(-)	(-)	(75.70)
	Mansion Cable Network Private Limited	125.55	-	-	-	-	125.55
		(-)	(-)	(-)	(-)	(-)	(-)
	Den Ambey Cable Networks Private Limited	123.43	-	-	-	-	123.43
		(102.98)	(-)	(-)	(-)	(-)	(102.98)
	Others	613.89	152.48	-	-	-	766.37
		(502.10)	(82.76)	(1.09)	(-)	(-)	(585.95)
	<b>Total</b>	<b>1,053.03</b>	<b>152.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,205.51</b>
		(680.78)	(82.76)	(160.34)	(-)	(-)	(923.88)
ii.	Advance billing						

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
	Den Bellary City Cable Private Limited	1.32	-	-	-	-	1.32
		(-)	(-)	(-)	(-)	(-)	(-)
	Mahavir Den Entertainment Private Limited	-	-	-	-	-	-
		(5.33)	(-)	(-)	(-)	(-)	(5.33)
	Den Satellite Network Private Limited	0.79	-	-	-	-	0.79
		(2.85)	(-)	(-)	(-)	(-)	(2.85)
	Cab-I-Net Communications Private Limited	1.16	-	-	-	-	1.16
		(1.66)	(-)	(-)	(-)	(-)	(1.66)
	Others	5.47	1.44	-	-	-	6.91
		(4.42)	(1.03)	(-)	(-)	(-)	(5.45)
	Total	8.74	1.44	-	-	-	10.18
		(14.26)	(1.03)	(-)	(-)	(-)	(15.29)
iii.	Security deposits received						
	DEN Mahendra Satellite Private Limited	0.12	-	-	-	-	0.12
		(0.12)	(-)	(-)	(-)	(-)	(0.12)
	Den Prayag Cable Networks Private Limited	0.02	-	-	-	-	0.02
		(0.02)	(-)	(-)	(-)	(-)	(0.02)
	Total	0.14	-	-	-	-	0.14
		(0.14)	(-)	(-)	(-)	(-)	(0.14)
iv.	Advance from customers						
	Gemini Cable Network Private Limited	-	-	-	-	-	-
		(4.10)	(-)	(-)	(-)	(-)	(4.10)
	Mahadev Den Network Private Limited	0.36	-	-	-	-	0.36
		(1.65)	(-)	(-)	(-)	(-)	(1.65)
	Ekta Entertainment Network Private Limited	0.78	-	-	-	-	0.78
		(-)	(-)	(-)	(-)	(-)	(-)
	Kerela Entertainment Private Limited	-	1.27	-	-	-	1.27
		(-)	(1.13)	(-)	(-)	(-)	(1.13)
	Den Digital Entertainment Gujarat Private Limited	-	-	-	-	-	-

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
		(1.11)	(-)	(-)	(-)	(-)	(1.11)
	Others	1.43	0.23	-	-	-	1.66
		(0.80)	(0.32)	(-)	(-)	(-)	(1.12)
	<b>Total</b>	<b>2.57</b>	<b>1.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.07</b>
		(7.66)	(1.45)	(-)	(-)	(-)	(9.11)
v.	Investments (Equity and Preference shares)						
	Amogh Broad Band Services Private Limited	1,132.78	-	-	-	-	1,132.78
		(1,124.73)	(-)	(-)	(-)	(-)	(1,124.73)
	Others	4,575.70	-	75.00	-	-	4,650.70
		(3,843.57)	(-)	(25.00)	(-)	(-)	(3,868.57)
	<b>Total</b>	<b>5,708.48</b>	<b>-</b>	<b>75.00</b>	<b>-</b>	<b>-</b>	<b>5,783.48</b>
		(4,968.30)	(-)	(25.00)	(-)	(-)	(4,993.30)
	Less : Provision for diminution in value of investments	43.65	-	-	-	-	43.65
		(31.70)	(-)	(-)	(-)	(-)	(31.70)
	<b>Total</b>	<b>5,664.83</b>	<b>-</b>	<b>75.00</b>	<b>-</b>	<b>-</b>	<b>5,739.83</b>
		(4,936.60)	(-)	(25.00)	(-)	(-)	(4,961.60)
vi.	Security deposits paid						
	Media Pro Enterprise India Private Limited	-	-	3.49	-	-	3.49
		(-)	(-)	(3.49)	(-)	(-)	(3.49)
	Others	-	-	-	-	-	-
		(-)	(-)	(0.05)	(-)	(-)	(0.05)
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>3.49</b>	<b>-</b>	<b>-</b>	<b>3.49</b>
		(-)	(-)	(3.54)	(-)	(-)	(3.54)
vii.	Receivable on sale under finance lease						
	Den Enjoy Cable Networks Private Limited	80.58	-	-	-	-	80.58
		(119.29)	(-)	(-)	(-)	(-)	(119.29)
	Den Ambey Cable Networks Private Limited	92.72	-	-	-	-	92.72
		(137.97)	(-)	(-)	(-)	(-)	(137.97)
	Den Rajkot City Communication Private Limited	90.92	-	-	-	-	90.92
		(118.61)	(-)	(-)	(-)	(-)	(118.61)
	Den-Manoranjan Satellite Private Limited	64.14	-	-	-	-	64.14
		(94.46)	(-)	(-)	(-)	(-)	(94.46)
	Eminent Cable Network Private Limited	159.14	-	-	-	-	159.14
		(209.88)	(-)	(-)	(-)	(-)	(209.88)

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
	Den Discovery Digital Networks Private Limited	90.69	-	-	-	-	90.69
		(121.97)	(-)	(-)	(-)	(-)	(121.97)
	Others	92.89	-	-	-	-	92.89
		(133.23)	(-)	(-)	(-)	(-)	(133.23)
	<b>Total</b>	<b>671.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>671.08</b>
		(935.41)	(-)	(-)	(-)	(-)	(935.41)
viii.	Trade receivables						
	Den Satellite Network Private Limited	171.32	-	-	-	-	171.32
		(127.80)	(-)	(-)	(-)	(-)	(127.80)
	Others	765.97	75.50	1.21	-	-	842.68
		(636.25)	(64.33)	(1.82)	(-)	(-)	(702.40)
	<b>Total</b>	<b>937.29</b>	<b>75.50</b>	<b>1.21</b>	<b>-</b>	<b>-</b>	<b>1,014.00</b>
		(764.05)	(64.33)	(1.82)	(-)	(-)	(830.20)
ix.	Advance recoverable						
	Den Mewar Rajdev Cable Network Private Limited	22.70	-	-	-	-	22.70
		(0.03)	(-)	(-)	(-)	(-)	(0.03)
	Den Infoking Channel Entertainers Private Limited	1.06	-	-	-	-	1.06
		(9.40)	(-)	(-)	(-)	(-)	(9.40)
	Others	138.94	18.18	2.57	0.02	-	159.71
		(49.11)	(5.90)	(0.01)	(-)	(-)	(55.02)
	<b>Total</b>	<b>162.70</b>	<b>18.18</b>	<b>2.57</b>	<b>0.02</b>	<b>-</b>	<b>183.47</b>
		(58.54)	(5.90)	(0.01)	(-)	(-)	(64.45)
x.	Loans to subsidiaries						
	Shine Cable Network Private Limited	189.80	-	-	-	-	189.80
		(170.70)	(-)	(-)	(-)	(-)	(170.70)
	Den Futuristic Cable Networks Private Limited	75.00	-	-	-	-	75.00
		(76.71)	(-)	(-)	(-)	(-)	(76.71)
	Den Soccer Private Limited	-	334.85	-	-	-	334.85
		(-)	(61.01)	(-)	(-)	(-)	(61.01)
	Others	37.75	13.11	-	-	-	50.86
		(74.63)	(13.11)	(-)	(-)	(-)	(87.74)
	<b>Total</b>	<b>302.55</b>	<b>347.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>650.51</b>
		(322.04)	(74.12)	(-)	(-)	(-)	(396.16)
xi.	Share application money paid pending allotment						

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
	Den Ambey Cable Networks Private Limited	11.21	-	-	-	-	11.21
		(0.85)	(-)	(-)	(-)	(-)	(0.85)
	Gemini Cable Network Private Limited	-	-	-	-	-	-
		(35.00)	(-)	(-)	(-)	(-)	(35.00)
	Crystal Vision Media Private Limited	-	-	-	-	-	-
		(8.54)	(-)	(-)	(-)	(-)	(8.54)
	Skynet Cable Network Private Limited	-	-	-	-	-	-
		(-)	(8.05)	(-)	(-)	(-)	(8.05)
	Den Mewar Rajdev Cable Network Private Limited	-	-	-	-	-	-
		(8.00)	(-)	(-)	(-)	(-)	(8.00)
	Others	-	-	-	-	-	-
		(0.06)	(-)	(-)	(-)	(-)	(0.06)
	Total	11.21	-	-	-	-	11.21
		(52.45)	(8.05)	(-)	(-)	(-)	(60.50)
xii.	Prepaid expenses						
	Den Rajkot City Communication Private Limited	-	-	-	-	-	-
		(0.03)	(-)	(-)	(-)	(-)	(0.03)
	Den Satellite Network Private Limited	-	-	-	-	-	-
		(0.06)	(-)	(-)	(-)	(-)	(0.06)
	Den-Manoranjan Satellite Private Limited	-	-	-	-	-	-
		(0.03)	(-)	(-)	(-)	(-)	(0.03)
	Den Discovery Digital Networks Private Limited	-	-	-	-	-	-
		(0.03)	(-)	(-)	(-)	(-)	(0.03)
	Others	-	-	-	-	-	-
		(-)	(0.04)	(-)	(-)	(-)	(0.04)
	Total	-	-	-	-	-	-
		(0.15)	(0.04)	(-)	(-)	(-)	(0.19)
xiii.	Unbilled revenue						
	Den Ambey Cable Networks Private Limited	19.36	-	-	-	-	19.36
		(-)	(-)	(-)	(-)	(-)	(-)
	Den Satellite Network Private Limited	13.93	-	-	-	-	13.93
		(7.15)	(-)	(-)	(-)	(-)	(7.15)

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
	Den Rajkot City Communication Private Limited	14.57	-	-	-	-	14.57
		(3.79)	(-)	(-)	(-)	(-)	(3.79)
	Libra Cable Network Private Limited	13.55	-	-	-	-	13.55
		(-)	(-)	(-)	(-)	(-)	(-)
	Den Discovery Digital Networks Private Limited	5.70	-	-	-	-	5.70
		(3.34)	(-)	(-)	(-)	(-)	(3.34)
	Den Premium Multilink Cable Network Private Limited	3.06	-	-	-	-	3.06
		(2.64)	(-)	(-)	(-)	(-)	(2.64)
	Den-Manoranjan Satellite Private Limited	4.90	-	-	-	-	4.90
		(2.37)	(-)	(-)	(-)	(-)	(2.37)
	Others	17.55	10.09	-	-	-	27.64
		(1.57)	(-)	(-)	(-)	(-)	(1.57)
	<b>Total</b>	<b>92.62</b>	<b>10.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102.71</b>
		(20.86)	(-)	(-)	(-)	(-)	(20.86)
xiv.	Interest accrued on others						
	Meerut Cable Network Private Limited	23.66	-	-	-	-	23.66
		(23.66)	(-)	(-)	(-)	(-)	(23.66)
	Den Futuristic Cable Networks Private Limited	17.44	-	-	-	-	17.44
		(10.90)	(-)	(-)	(-)	(-)	(10.90)
	Den Soccer Private Limited	-	17.43	-	-	-	17.43
		(-)	(20.74)	(-)	(-)	(-)	(20.74)
	Shine Cable Network Private Limited	26.33	-	-	-	-	26.33
		(29.11)	(-)	(-)	(-)	(-)	(29.11)
	Others	29.81	7.81	0.76	-	-	38.38
		(48.40)	(6.21)	(-)	(-)	(-)	(54.61)
	<b>Total</b>	<b>97.24</b>	<b>25.24</b>	<b>0.76</b>	<b>-</b>	<b>-</b>	<b>123.24</b>
		(112.07)	(26.95)	(-)	(-)	(-)	(139.02)
xv.	Receivable on sale of fixed assets						
	Den Ambey Cable Networks Private Limited	94.44	-	-	-	-	94.44
		(89.72)	(-)	(-)	(-)	(-)	(89.72)
	Srishti Den Networks Private Limited	-	69.66	-	-	-	69.66

	Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Jointly controlled entities	Entities under significant influence	Key management personnel	Grand total
		(-)	(77.48)	(-)	(-)	(-)	(77.48)
	Mansion Cable Network Private Limited	19.16	-	-	-	-	19.16
		(197.35)	(-)	(-)	(-)	(-)	(197.35)
	Den Satellite Network Private Limited	44.30	-	-	-	-	44.30
		(117.19)	(-)	(-)	(-)	(-)	(117.19)
	Others	144.25	0.01	-	-	-	144.26
		(310.94)	(3.09)	(-)	(-)	(-)	(314.03)
	<b>Total</b>	<b>302.15</b>	<b>69.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>371.82</b>
		(715.20)	(80.57)	(-)	(-)	(-)	(795.77)
xvi.	Guarantee given by the Company for a term loan taken from bank by a subsidiary Company outstanding as at the end of the year amounting to Rs. 250.00 million [Previous year Rs. 250.00 million].						
xvii.	Term loan of Rs. 184.88 million (Previous year Rs. 369.88 million) taken from Syndicate Bank is guaranteed by Mr. Sameer Manchanda, Chairman and Managing Director of the Company.						
	Figures in bracket relates to previous year.						

### 30. DEFERRED TAX

- Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing tax laws.
- Break up of deferred tax assets/ liabilities and reconciliation of current year's deferred tax charge is as follows:

**(Rs. in million)**

Particulars	Opening balance	Credited/ (charged) to Statement of Profit and Loss	Closing balance
<b>Deferred tax liability</b>			
Depreciation on difference between book balance and tax balance of fixed assets	(89.74)	1.27	(88.47)
<b>Total</b>	<b>(89.74)</b>	<b>1.27</b>	<b>(88.47)</b>
<b>Deferred tax assets</b>			
Provision for compensated absences and gratuity	21.48	3.62	25.10
Provision for doubtful debts/ advances/ impairment	114.22	50.60	164.82
Share issue expenses	75.99	(19.00)	56.99
Others	58.70	-	58.70
<b>Total</b>	<b>270.39</b>	<b>35.22</b>	<b>305.61</b>
<b>Net deferred tax assets</b>	<b>180.65</b>	<b>36.49</b>	<b>217.14</b>

### 31. OPERATING LEASE

The Company has taken office premises and accommodation for its employee under cancellable operating lease agreements. The lease rental expenses recognised in the Statement of Profit and Loss for the year is Rs. 141.26 million (Previous year Rs. 110.68 million).

### 32. FINANCE LEASE AS LESSEE

The Company has entered into finance lease arrangements for certain equipment which provide the Company an option to purchase the assets at the end of the lease period.

Future minimum lease payments and reconciliation of gross investment in the lease and present value of minimum lease payments



**(Rs. in million)**

Particulars	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Future minimum lease payments:</b>		
• Not later than one year	630.66	1,055.55
• Later than one year and not later than five years	1,135.69	2,182.06
• Later than five years	-	-
	<b>1,766.35</b>	<b>3,237.61</b>
Less : Unmatured finance charges	182.46	417.10
	<b>1,583.89</b>	<b>2,820.51</b>
<b>Present value of minimum lease payments payable:</b>		
• Not later than one year	529.54	847.06
• Later than one year and not later than five Years	1,054.35	1,973.45
• Later than five years	-	-
	<b>1,583.89</b>	<b>2,820.51</b>

### 33. FINANCE LEASE AS LESSOR

The Company has entered into finance lease arrangements for certain equipment which provide the Company an option to sell the assets at the end of the lease period.

Future minimum lease payments and reconciliation of gross investment in the lease and present value of minimum lease payments.

**(Rs. in million)**

Particulars	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Future minimum lease payments:</b>		
• Not later than one year	474.22	267.64
• Later than one year and not later than five years	241.61	789.52
• Later than five years	-	-
	<b>715.83</b>	<b>1,057.16</b>
Less : Unearned finance income	44.75	121.75
	<b>671.08</b>	<b>935.41</b>
<b>Present value of minimum lease payments receivable:</b>		
• Not later than one year	443.30	200.43
• Later than one year and not later than five years	227.78	734.98
• Later than five years	-	-
	<b>671.08</b>	<b>935.41</b>

### 34. DISCLOSURES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

As per information available with the management, the balance due to enterprises covered under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006. This has been relied upon by the auditors.

### 35. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD 15 (REVISED 2005) ON 'EMPLOYEE BENEFITS'

#### A. Defined contribution plans

The Company makes contribution toward the following defined contribution plans for qualifying employees:

- a. Employees' Provident Fund (EPF)

## b. Employees' State Insurance (ESI)

During the year the Company has recognised the following amounts in the Statement of Profit and Loss:

(Rs. in million)		
Particulars	Year ended 31.03.2015	Year ended 31.03.2014
a. Employer's contribution to EPF	26.53	22.73
b. Employer's contribution to ESI	0.83	0.96

The contribution payable by the Company is at the rates specified in the rules to the plans.

**B. Defined benefit plan****Gratuity plan**

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 1,000,000. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

The following tables set out the status of the gratuity plan (which is unfunded) and amounts recognised in the Company's financial statements as at 31<sup>st</sup> March, 2015.

**i. Change in benefit obligations:**

(Rs. in million)		
Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Present value of obligations at the beginning of the year	35.50	27.39
Current service cost	7.84	6.98
Interest cost	2.96	2.44
Actuarial (gain)/loss on obligation	(0.91)	0.28
Benefits paid	(2.73)	(1.59)
<b>Present value of obligations at the year end</b>	<b>42.66</b>	<b>35.50</b>

**ii. Expenses recognised in the Statement of Profit and Loss:**

(Rs. in million)		
Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Current service cost	7.84	6.98
Interest cost	2.96	2.44
Actuarial (gain)/loss on obligation	(0.91)	0.28
<b>Net cost</b>	<b>9.89</b>	<b>9.70</b>

**iii. Principal actuarial assumptions:****(A) Economic assumptions**

Particulars	See note below	Year ended 31.03.2015	Year ended 31.03.2014
a. Discount rate (per annum)	1	8.00%	8.00%
b. Estimated salary escalation rate (per annum)	2	8.00%	8.00%

**(B) Demographic Assumptions**

a. Retirement age (years)	58	58
b. Mortality Table	IALM (2006 08)	IALM (2006 08)
c. Withdrawal rates	In %	In %
Upto 30 years	3.00	3.00

From 31 years to 44 years	2.00	2.00
Above 44 years	1.00	1.00

**iv. Experience adjustment:**

(Rs. in million)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
On plan liabilities	0.91	(0.28)	0.74	1.57	1.41
Present value of benefit obligation	42.66	35.50	27.39	20.38	13.99

The expected contribution is based on the same assumptions used to measure the Company’s gratuity obligations as of 31<sup>st</sup> March, 2015. The Company is expected to contribute Rs. 15.44 million to gratuity funds for the year ending 31<sup>st</sup> March, 2016.

**Notes:**

1. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
2. The salary growth rate takes account of inflation, seniority, promotion and other relevant factors on a long term basis.

**36. AT THE YEAR END, UNHEDGED FOREIGN CURRENCY EXPOSURES ARE AS FOLLOWS:**

(Rs. in million)

Particulars	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	In INR	In USD	In INR	In USD
Payables on purchase of fixed assets	285.78	4.56	165.00	2.75
Buyer's credit on imports	3,222.44	51.48	2,942.90	48.97

**37. EMPLOYEE STOCK OPTION PLAN 2010 (“ESOP 2010”)**

- a. The Company had established an Employee Stock Option Plan (ESOP 2010) in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, which have been approved by the Board of Directors and the shareholders. A Nomination and Remuneration / Compensation Committee comprising majority of independent, non-executive members of the Board of Directors administers the ESOPs. All option under the ESOPs are exercisable for equity shares. The Company had taken approval of the Shareholders to grant and allot up-to 5,219,599 equity options under the said scheme. During the year, the Company has granted 1,680,000 equity options to eligible employees of the Company and directors of the subsidiary companies.
- b. There shall be a minimum period of one year between the grant of options and vesting of options. The vesting period may extend up to three years. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant. The Company has granted 4,756,195 options up to 31<sup>st</sup> March, 2015. During the year, 450,000 options were surrendered/forfeited.
- c. The movement in the scheme is set out as under:

Particulars	ESOP 2010		ESOP 2010	
	Year ended 31.03.15		Year ended 31.03.14	
	Option (Numbers)	Weighted Average Price (Rs.)	Option (Numbers)	Weighted Average Price (Rs.)
a. Outstanding at the beginning of the year	450,000	30.00	1,252,776	30.00
b. Granted during the year	1,680,000	160.00	-	-
c. Exercised during the year	-	-	794,845	30.00

d.	Vested during the year	-	-	-	-
e.	Surrendered/ forfeited during the year	450,000	30.00	7,931	30.00
f.	Expired during the year	-	-	-	-
g.	Outstanding at the end of the year	1,680,000	160.00	450,000	30.00
h.	Exercisable at the end of the year	504,000	160.00	450,000	30.00
i.	Number of equity shares of Rs. 10 each fully paid up during the year to be issued on exercise of option	504,000	160.00	450,000	30.00
j.	Weighted average share price at the date of exercise	NA	NA	179.16	NA
k.	Range of exercise price for options outstanding at the end of the year	NA	NA	NA	NA
l.	Weighted average remaining contractual life (years)	-	NA	-	NA

d. Proforma Accounting for Stock Option Grants

The Company applies the intrinsic value-based method of accounting for determining compensation cost for its stock-based compensation plan. Had the compensation cost been determined using the fair value approach the Company's net income and basic and diluted earnings per share as reported would have reduced to the pro forma amounts as indicated:

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Net Profit/ (Loss) as reported (Rs. in million) (a)	(1,108.07)	51.65
Add: Stock based employee compensation expense debited to Statement of Profit and Loss (i)	-	-
Less: Stock based employee compensation expense based on fair value (ii)	-	-
Difference between (i) and (ii)	-	-
Adjusted pro forma Profit/(Loss) (Rs. in million) (b)	(1,108.07)	51.65
Difference between (a) and (b)	-	-
Basic earnings per share as reported (in Rs.)	(6.22)	0.32
Pro forma basic earnings per share (in Rs.)	(6.22)	0.32
Diluted earnings per share as reported (in Rs.)	(6.22)	0.32
Pro forma diluted earnings per share (in Rs.)	(6.22)	0.32

e. The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions

Particulars	1,480,000 Options (Vesting Period -4 Years)				200,000 Options (Vesting Period -4 Years)			
	1st Year	2nd Year	3rd Year	4th Year	1st Year	2nd Year	3rd Year	4th Year
Risk free interest rates (in %)	7.93%	7.88%	7.85%	7.81%	8.05%	7.99%	7.94%	7.90%
Expected life (in years)	1.50	2.50	3.50	4.50	1.50	2.50	3.50	4.50
Volatility (in %)	48.00%	48.00%	48.00%	48.00%	48.09%	48.09%	48.09%	48.09%
Dividend yield (in %)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

The volatility of the options is based on the historical volatility of the share price since the Company's equity shares are publicly traded, which may be shorter than the term of the options.

- f. Details of weighted average exercise price and fair value of the stock options granted at price below market price

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Total options granted (in numbers)	4,756,195	3,534,126
Weighted average exercise price (in Rs.)	75.91	30.00
Weighted average fair value (in Rs.)	32.90	62.74

\* Includes 1,680,000 equity options granted during the year.

**Employee Stock Option Plan 2014 (“ESOP 2014”)**

- a. In the extraordinary general meeting held on 05 January, 2015 the Shareholders through Postal Ballot approved the issue of 8,909,990 options (5% of issued capital) under the Scheme titled “DEN ESOP Plan A-2014 (ESOP A) and DEN ESOP Plan B- 2014” (ESOP B) in accordance with the Securities and Exchange Board of India (Share Bared Employee Benefits) Regulations 2014.

The ESOP A and B allows the issue of options to employees of the Company. Each option comprises one underlying equity share.

As per the Scheme, the Nomination and Remuneration / Compensation Committee grants the options to the eligible employees. The exercise price of each option shall be such as may be decided by the Nomination and Remuneration / Compensation Committee. The options granted vest over a period of 4 years from the date of the grant in proportions as may be decided by the Nomination and Remuneration/ Compensation Committee. Options may be exercised within 1 year from the date of vesting.

- b. The ESOP scheme titled “DEN ESOP Plan A -2014” (ESOPA) was approved by the shareholders through postal ballot on 05 January, 2015. 4,454,995 options are covered under the Scheme for 4,454,995 shares.

During the current year, the Nomination and Remuneration / Compensation Committee has not granted options under the said scheme.

- c. The ESOP scheme titled “DEN ESOP Plan B- 2014 was approved by the shareholders through postal ballot on 05 January, 2015. 4,454,995 options are covered under the Scheme for 4,454,995 equity shares.

The Nomination and Remuneration / Compensation Committee of the Company, had granted 4,450,000 options under this Scheme to eligible employees. The shares covered by such options were 4,450,000 equity shares.

The vesting period of these options range over a period of 4 years. The options may be exercised within a period of 1 year from the date of vesting.

- d. Employee stock options details as on the balance sheet date are as follows:

Particulars	During the year ended 31 <sup>st</sup> March, 2015	
	Options (Numbers)	Weighted average exercise price per option (Rs.)
Option outstanding at the beginning of the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Granted during the year:		
- ESOP A	Nil	Nil
- ESOP B	4,450,000	160.00
Vested during the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Exercised during the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Lapsed during the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Options outstanding at the end of the year:		
- ESOP A	Nil	Nil

- ESOP B	4,450,000	160.00
Options available for grant:		
- ESOP A	4,454,995	160.00
- ESOP B	4,995	160.00
The weighted average share price at the date of exercise for stock options exercised during the year	NA	NA
Range of exercise price for options outstanding at the end of the year	NA	NA
Weighted average remaining contractual life	NA	NA

- e. The impact on Earnings per Share if the 'fair value' of the options (on the date of the grant) were considered instead of the 'intrinsic value' is as under:

Particulars	Year ended 31 <sup>st</sup> March, 2015
Net Profit/ (Loss) as reported (Rs. in million) (a)	(1,108.07)
Add / (Less): stock based employee compensation (intrinsic value)	-
Add / (Less): stock based compensation expenses determined under fair value method for the grants issued (See note (f) below)	-
Net Profit / (Loss) (proforma) (Rs. in million) (b)	(1,108.07)
Difference between (a) and (b)	-
Basic earnings per share (as reported) (in Rs.)	(6.22)
Basic earnings per share (proforma) (in Rs.)	(6.22)
Diluted earnings per share (as reported) (in Rs.)	(6.22)
Diluted earnings per share (proforma) (in Rs.)	(6.22)

- f. The fair value of the options has been determined on the date of grant under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant Date: 16 January, 2015				
Assumptions	840,000 Options	700,000 Options	700,000 Options	560,000 Options
Risk Free Interest Rate	7.79%	7.78%	7.77%	7.76%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	47.65%	47.65%	47.65%	47.65%
Expected Dividend Yield	Nil	Nil	Nil	Nil
Grant Date: 2 February, 2015				
Assumptions	240,000 Options	200,000 Options	200,000 Options	160,000 Options
Risk Free Interest Rate	7.69%	7.69%	7.69%	7.70%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	47.39%	47.39%	47.39%	47.39%
Expected Dividend Yield	Nil	Nil	Nil	Nil
Grant Date: 10 February, 2015				
Assumptions	240,000 Options	200,000 Options	200,000 Options	160,000 Options
Risk Free Interest Rate	7.85%	7.83%	7.80%	7.78%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	47.70%	47.70%	47.70%	47.70%
Expected Dividend Yield	Nil	Nil	Nil	Nil
Grant Date: 13 February, 2015				
Assumptions	15,000 Options	12,500 Options	12,500 Options	10,000 Options
Risk Free Interest Rate	7.93%	7.88%	7.85%	7.81%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	48.00%	48.00%	48.00%	48.00%
Expected Dividend Yield	Nil	Nil	Nil	Nil

g. Details of weighted average exercise price and fair value of the stock options granted at price below market price

Particulars	Year ended 31 <sup>st</sup> March, 2015
Total options granted	4,450,000
Weighted average exercise price (in Rs.)	160.00
Weighted average fair value (in Rs.)	32.90

**38. ADDITIONAL INFORMATION REQUIRED TO BE GIVEN PURSUANT TO PART II OF SCHEDULE III OF THE COMPANIES ACT, 2013**

a. Expenditure in foreign currency

(Rs. in million)

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Repairs and maintenance (Others)	22.91	23.29
Travelling and conveyance	0.72	0.82
Consultancy, professional and legal charges	10.05	5.76
Director's sitting fees	0.20	-
Salaries and allowances	2.00	-
Miscellaneous expenses	0.19	-
<b>Total</b>	<b>36.07</b>	<b>29.87</b>

b. Value of imports (calculated on a CIF basis)

(Rs. in million)

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Capital goods	1,587.17	3,382.64

c. Earnings in foreign exchange

(Rs. in million)

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Export of goods calculated on FOB basis	0.43	-

**39. DURING THE YEAR 2013-14, THE COMPANY HAD ISSUED AND ALLOTTED 44,175,705 EQUITY SHARES AGGREGATING TO RS. 9,608.22 MILLION AS FOLLOWS**

	Particulars	Amount (Rs. in million)
a.	12,466,321 equity shares by way of Qualified Institutional Placement (QIP) under chapter VIII of SEBI (ICDR) Regulation, 2009	2,711.43
b.	31,709,384 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009	6,896.79
	<b>Total</b>	<b>9,608.22</b>

The utilisation details of the above proceeds are as follows:

	Particulars	Amount (Rs. in million)
a.	Amount used for issue expense	279.49
b.	Invest in capex for digitization, broadband and other infrastructure and services	2,397.12
c.	Balance amount invested in fixed deposits and mutual funds	6,931.61
	<b>Total</b>	<b>9,608.22</b>

#### 40. EARNINGS PER EQUITY SHARE (EPS)

	Particulars	Year ended 31.03.2015	Year ended 31.03.2014
a.	Net Profit / (loss) attributable to equity shareholders (Rs. in million)	(1,108.07)	51.65
b.	Weighted average number of equity shares outstanding used in computation of basic EPS	178,199,806	161,317,159
c.	Basic Earnings/ (Loss) per equity share of Rs. 10 each (in Rs.)	(6.22)	0.32
d.	Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS	178,199,806	161,317,159
e.	Diluted Earnings/ (Loss) per equity share of Rs. 10 each (in Rs.)	(6.22)	0.32

\*There are no potential equity shares as at 31<sup>st</sup> March, 2015.

#### 41. INTEREST IN JOINTLY CONTROLLED ENTITIES

The Company has 50% interest in the assets, liabilities, expense and income of Star Den Media Services Private Limited (Star Den), incorporated in India, which is involved in the business of distribution of television channels. Further, interest of Star Den in Media Pro Enterprise India Private Limited (Media Pro) is 50% resulting in 25% interest of the Company in Media Pro. The Company also has 50% interest in the assets, liabilities, expense and income of Macro Commerce Private Limited (Macro), incorporated in India, which is a TV Commerce Shop – A 24 Hour Home Shopping Channel.

The Company's share in assets, liabilities, income and expense of the jointly controlled entities, based on the audited financial statements for the year ended 31<sup>st</sup> March, 2015 is as follows:

	Particulars	Star Den	Media Pro	Macro	Total
a.	Current assets	<b>222.89</b>	<b>76.26</b>	<b>54.14</b>	<b>353.29</b>
		<i>236.60</i>	<i>1,279.17</i>	-	<i>1,515.77</i>
b.	Non-current assets	<b>180.95</b>	<b>424.47</b>	<b>6.90</b>	<b>612.32</b>
		<i>176.83</i>	<i>408.61</i>	-	<i>585.44</i>
c.	Current liabilities	<b>(13.35)</b>	<b>(452.73)</b>	<b>(57.45)</b>	<b>(523.53)</b>
		<i>(38.59)</i>	<i>(1,658.93)</i>	-	<i>(1,697.52)</i>
d.	Equity	<b>(25.00)</b>	<b>(12.50)</b>	<b>(50.00)</b>	<b>(87.50)</b>
		<i>(25.00)</i>	<i>(12.50)</i>	-	<i>(37.50)</i>
e.	Revenue	<b>85.76</b>	<b>140.63</b>	<b>15.88</b>	<b>242.27</b>
		<i>157.23</i>	<i>438.06</i>	-	<i>595.29</i>
f.	Cost of Distribution Rights	-	-	-	-
		<i>(2.97)</i>	-	-	<i>(2.97)</i>
g.	Employee benefits expense	<b>(34.13)</b>	<b>(20.64)</b>	<b>(7.63)</b>	<b>(62.40)</b>
		<i>(38.22)</i>	<i>(136.55)</i>	-	<i>(174.77)</i>
h.	Depreciation and amortization expense	<b>(0.27)</b>	<b>(0.78)</b>	<b>(0.41)</b>	<b>(1.46)</b>
		<i>(0.63)</i>	<i>(3.85)</i>	-	<i>(4.48)</i>
i.	Other expenses	<b>(34.89)</b>	<b>(98.73)</b>	<b>(54.46)</b>	<b>(188.08)</b>
		<i>(57.78)</i>	<i>(257.71)</i>	-	<i>(315.49)</i>
j.	Profit before tax	<b>16.47</b>	<b>20.48</b>	<b>(46.62)</b>	<b>(9.67)</b>
		<i>57.63</i>	<i>39.95</i>	-	<i>97.58</i>
k.	Tax expenses	<b>(0.83)</b>	<b>(1.32)</b>	-	<b>(2.15)</b>
		<i>(60.75)</i>	<i>(46.81)</i>	-	<i>(107.56)</i>
l.	Profit for the year after tax	<b>15.64</b>	<b>19.16</b>	<b>(46.62)</b>	<b>(11.82)</b>
		<i>(3.12)</i>	<i>(6.86)</i>	-	<i>(9.98)</i>

Note: Amount in italics represent previous year's figures.

There are no commitments of the jointly controlled entities. Media Pro has given bank guarantee amounting to Rs. 32.70 million in favour of The Registrar, Supreme Court of India against a matter. The Company's share of this contingent liability as at 31<sup>st</sup> March, 2015 amounts to Rs. 8.17 million.



42. The Company has total investments of Rs. 5,783.48 million in subsidiary companies and joint venture companies. Of these, the Company has investment of Rs. 660.29 million and has balances of loans/advances of Rs. 21.47 million in various subsidiary companies whose Net Worth as at 31<sup>st</sup> March, 2015 has fully/substantially eroded. Of these, companies with investments aggregating to Rs. 313.74 million and with balances of loans/advances of Rs. 5.26 million, whose net worth is fully/substantially eroded have earned profits for the year ended 31<sup>st</sup> March, 2015. The management of the Company expects that these subsidiary companies will have positive cash flows to adequately sustain its operations in the foreseeable future. Having regard to the long term investment and strategic involvement no provision for diminution of these investments has been considered necessary (Also see note 13).
43. Pursuant to TRAI notification, Digital Addressable System (DAS) was implemented in metropolitan cities of the country in phase I with effect from 1 November, 2012 and in 38 other cities in phase II with effect from 1 April, 2013. The Company is in the process of finalising the subscription fee to be billed to subscribers. Pending finalisation of such subscription fees, the Company has recognised subscription income on best estimates based on market trends and negotiations with distributors/ local cable operators. Based on its review of such estimates on a regular basis management is of the view that any change arising in the subscription fee once finalised will not have significant impact on the revenue of the Company for the current year and previous year.
44. During the year, with effect from 1 April, 2014, the Company has revised the estimated useful lives of certain assets based on a technical study and evaluation of the useful life of the assets conducted in this regard and management's assessment thereof. The details of previously applied depreciation rates and useful life and revised useful life are as follows:

Asset	Previous depreciation rate and useful life	Revised useful life based on SLM
Computers	16.67% / ~6 years	33.33% / ~3 years
Office Equipment	10% / ~10 years	20% / ~5 years

Consequent to the change arising from the assessment of the useful lives of certain assets as above:

- i. The Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on 1 April, 2014, and has adjusted an amount of Rs 12.03 million against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.
  - ii. As a result the net depreciation charge for the year is higher by Rs 4.17 million.
45. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

**In terms of our report attached**  
 For **DELOITTE HASKINS & SELLS**  
 Chartered Accountants  
 (Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**JITENDRA AGARWAL**  
 Partner  
 (Membership No. 87104)

New Delhi  
 11 May, 2015

**SAMEER MANCHANDA**  
 Chairman Managing Director  
 DIN: 00015459

**MANISH DAWAR**  
 Group Chief Financial Officer

New Delhi  
 11 May, 2015

**AJAYA CHAND**  
 Director  
 DIN: 02334456

**JATIN MAHAJAN**  
 Company Secretary  
 FCS-6887

**FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES****(In Rs.)**

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
1	Den Entertainment Network Private Limited	97,372,000	298,596,298	396,225,294	256,996	-	10,513,187	9,122,249	2,820,000	6,302,249	
2	Den Digital Entertainment Gujarat Private Limited	10,000,000	134,658,544	176,069,174	31,410,630	-	7,113,895	379,014	-	379,014	
3	Aster Entertainment Private Limited	5,900,000	134,742,670	141,568,791	926,121	-	5,034,073	83,748	-	83,748	
4	Shine Cable Network Private Limited	2,500,000	5,967,355	227,420,914	218,953,559	-	28,251,666	76,627	24,163	52,464	
5	DEN Krishna Cable TV Network Private Limited	958,550	65,016,578	99,010,177	33,035,049	-	81,868,901	5,913,747	1,832,706	4,081,041	
6	Den Mahendra Satellite Private Limited	555,000	(120,910)	4,180,979	3,746,889	-	3,969,378	2,320,971	528,468	1,792,503	
7	DEN Pawan Cable Network Private Limited	683,380	42,653,725	81,275,770	37,938,665	-	62,486,625	1,887,632	610,250	1,277,382	
8	DEN Harsh Mann Cable Network Private Limited	540,500	865,528	8,766,718	7,360,690	-	9,126,417	2,889,791	804,966	2,084,825	
9	Den Classic Cable TV Services Private Limited	582,100	(682,366)	10,678,471	10,778,737	-	3,042,138	(2,023,485)	(410,346)	(1,613,139)	
10	Den Montooshah Network Private Limited	512,090	3,490,048	5,439,709	1,437,571	-	4,854,076	(1,362,462)	(57,660)	(1,304,802)	
11	Den Bindra Network Private Limited	526,290	(150,012)	2,656,650	2,280,372	-	2,094,898	(261,658)	(8,097)	(253,561)	
12	Den Ashu Cable Private Limited	876,520	19,894,750	58,066,130	37,294,861	-	48,318,048	2,392,827	761,426	1,631,401	
13	Den Nanak Communication Private Limited	608,750	(4,440,539)	921,987	4,753,776	-	1,828,692	1,628,356	-	1,628,356	
14	Den Futuristic Cable Networks Private Limited	11,600,280	69,889,489	176,933,151	95,443,382	-	1,103,327	(11,350,021)	-	(11,350,021)	
15	Den Digital Cable Network Private Limited	591,000	16,295,175	66,492,838	49,606,664	-	109,827,348	2,571,496	1,885,790	685,706	

(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
16	Den Saya Channel Network Private Limited	2,500,000	19,761,939	49,699,657	27,437,718	-	78,811,722	10,306,040	5,170,423	5,135,617	
17	Den Faction Communication System Private Limited	577,500	(23,261,786)	17,649,871	40,334,157	-	24,171,364	5,963,427	6,584,917	(621,490)	
18	Radiant Satellite (India) Private Limited	1,500,000	(1,034,164)	70,228,233	69,762,397	-	73,626,506	8,706,994	2,824,521	5,882,473	
19	Den Mewar Rajdev Cable Network Private Limited	39,955,550	(18,355,595)	54,847,655	33,247,700	-	44,982,038	(15,065,046)	(56,004)	(15,009,042)	
20	Den Radiant Satellite Cable Network Private Limited	540,600	4,735,960	6,401,346	1,124,786	-	4,684,147	477,608	149,404	328,204	
21	Den RIS Cable Network Private Limited	2,699,200	680,920	4,523,320	1,143,200	-	209	(30,565)	-	(30,565)	
22	Den Sky Media Network Private Limited	13,376,000	220,143,382	247,588,053	14,068,674	-	67,173,002	36,548,605	26,483,385	10,065,220	
23	Meerut Cable Network Private Limited	26,000,000	19,072,219	158,591,385	113,519,166	-	24,629,729	160,021	(17,734)	177,755	
24	DEN Crystal Vision Network Private Limited	571,500	670,156	6,583,099	5,341,442	-	3,318,600	97,062	24,400	72,662	
25	Den Mod Max Cable Network Private Limited	515,650	2,668,282	12,587,230	9,403,298	-	10,439,479	3,048,557	1,044,401	2,004,156	
26	DEN BCN Suncity Network Private Limited	536,700	3,633,469	14,422,475	10,252,306	-	8,588,955	425,045	120,492	304,553	
27	Den Pradeep Cable Network Private Limited	2,572,500	(2,172,100)	8,133,202	7,732,801	-	11,653,194	(2,398,468)	18,642	(2,417,110)	
28	Den Prince Network Private Limited	536,960	(3,493,306)	3,413,770	6,370,116	-	8,659,279	(1,453,158)	(76,129)	(1,377,029)	
29	Den Jai Ambey Vision Cable Network Private Limited	502,400	(911,037)	4,201,646	4,610,283	-	11,357,774	(431,610)	(122,626)	(308,984)	
30	DEN Varun Cable Network Private Limited	1,282,670	10,642,347	19,716,298	7,791,281	-	40,794,814	6,090,214	1,882,355	4,207,859	
31	DEN Aman Entertainment Private Limited	598,600	8,036,651	12,466,729	3,831,478	-	17,205,802	7,577,912	1,515,170	6,062,742	3,322,000

(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
32	Den Satellite Cable TV Network Private Limited	613,050	(10,717,176)	8,089,736	18,193,862	-	19,308,196	(7,883,477)	(279,079)	(7,604,398)	
33	Den F K Cable Tv Network Private Limited	1,140,110	74,470,568	118,363,968	42,753,288	-	64,093,700	27,526,880	8,957,192	18,569,688	
34	Den Budaun Cable Network Private Limited	727,700	1,370,585	4,664,689	2,566,404	-	11,866,513	175,769	60,059	115,710	
35	DEN Ambey Cable Networks Private Limited	725,720	462,605,126	972,343,295	509,012,450	-	615,539,524	215,312,717	79,084,383	136,228,334	
36	Den Ambey Citi Cable Network Private Limited	500,000	3,179,433	6,873,413	3,193,980	-	12,818,559	1,882,088	585,103	1,296,985	
37	Den Ambey Jhansi Cable Network Private Limited	600,000	3,118,063	14,383,520	10,665,457	-	53,973,812	516,886	170,248	346,638	
38	Den Ambey Farukabad Cable Network Private Limited	500,000	7,337,760	16,800,411	8,962,651	-	32,576,321	640,339	228,711	411,628	4,500,000
39	Den Kashi Cable Network Private Limited	8,000,000	22,485,156	53,632,775	23,147,619	-	24,111,216	(921,774)	(274,155)	(647,619)	
40	Den Enjoy Cable Networks Private Limited	17,450,020	440,107,957	728,217,617	270,659,640	-	384,663,598	110,586,128	39,610,974	70,975,154	
41	DEN Prayag Cable Networks Private Limited	500,000	25,299,740	57,240,302	31,440,562	-	71,318,051	12,445,129	3,989,811	8,455,318	
42	Den Deva Cable Network Private Limited	500,000	72,317	1,153,623	581,306	-	4,426,359	250,512	117,157	133,355	
43	Den Maa Sharda Vision Cable Networks Private Limited	612,300	9,615,821	31,871,991	21,643,869	-	42,253,663	1,403,382	345,439	1,057,943	
44	Den Fateh Marketing Private Limited	500,000	3,472,984	36,604,458	32,636,474	5,000	81,270,027	(5,888,139)	(1,829,959)	(4,058,180)	
45	Den Enjoy Navaratan Network Private Limited	608,200	11,778,040	27,424,586	15,038,346	-	48,096,900	(3,639,783)	(1,113,213)	(2,526,570)	
46	Den Shiva Cable Network Private Limited	1,924,640	(4,124,716)	4,428,823	6,628,899	-	5,192,377	664,101	320,213	343,888	
47	Den Narmada Network Private Limited	14,938,070	9,761,190	32,306,714	7,607,453	-	3,297,882	2,455,475	742,595	1,712,880	

(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
48	Dewshree Network Private Limited	-	-	-	-	-	-	-	-	-	-
49	Shree Siddhivinayak Cable Network Private Limited	500,000	(9,600,891)	13,245,843	22,348,734	2,000	8,168,300	(4,163,518)	(1,215,366)	(2,948,152)	
50	Mahadev Den Network Private Limited	22,290,000	(13,315,969)	37,258,753	28,284,722	-	6,627,343	13,780	-	13,780	
51	Den Patel Entertainment Network Private Limited (formerly known as Mahadev Den Cable Net Private Limited)	900,000	246,754	10,281,475	9,134,721	-	19,721,038	374,488	118,275	256,213	
52	Mahadev Den Cable Network Private Limited	900,000	(20,038,244)	8,190,200	27,328,444	-	5,678,940	(229,355)	-	(229,355)	
53	Den MCN Cable Network Private Limited	1,099,200	10,900,254	59,160,512	47,161,059	-	14,759,742	(612,917)	(345,668)	(267,249)	
54	Drashti Cable Network Private Limited	535,700	(2,009,493)	23,543,092	25,016,885	-	3,083,457	(4,271,724)	(1,182,356)	(3,089,368)	
55	Den-Manoranjan Satellite Network Private Limited	700,000	125,209,200	333,364,892	207,455,691	-	249,153,786	24,248,699	8,420,577	15,828,122	
56	Den Nashik City Cable Network Private Limited	500,000	33,223,865	81,583,849	47,859,985	-	28,449,074	5,626,938	5,399,611	227,327	
57	Den Supreme Satellite Vision Private Limited	597,090	17,582,606	22,697,965	4,518,268	-	16,875,647	(5,586,769)	3,037,200	(8,623,969)	
58	Den Bellary City Cable Private Limited	715,480	5,869,050	32,139,376	25,554,846	-	60,564,698	(1,039,686)	143,523	(1,183,209)	
59	Den Malayalam Telenet Private Limited	11,926,810	(32,122)	25,538,562	13,643,875	-	32,716,400	(4,547,385)	263,797	(4,811,182)	
60	Den Malabar Cable Vision Private Limited	600,630	1,065,194	12,016,848	10,351,024	-	10,082,121	(959,343)	-	(959,343)	
61	Den Elgee Cable Vision Private Limited	1,122,580	5,040,199	12,666,106	6,503,327	-	18,051,016	179,161	147,001	32,160	

(In Rs.)											
S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
62	Den Rajkot City Communication Private Limited (formerly known as Rajkot City Communication Private Limited)	113,060	36,085,861	250,501,677	214,302,756	-	135,538,109	(7,768,203)	(1,452,143)	(6,316,060)	
63	Den Infoking Channel Entertainers Private Limited	2,572,700	18,958,725	33,341,231	11,809,806	-	9,630,454	(892,270)	510	(892,780)	
64	Den Ucn Network India Private Limited	621,000	3,505,355	16,297,058	12,170,703	-	45,328,215	(484,399)	(2,907)	(481,492)	
65	Fortune (Baroda) Network Private Limited	1,000,000	(2,181,240)	13,743,981	14,925,222	-	24,832,745	298,644	59,276	239,368	
66	Galaxy Den Media & Entertainment Private Limited	500,000	4,558,481	39,963,319	34,904,839	-	17,506,055	(115,622)	(89,534)	(26,088)	
67	Bali Den Cable Network Private Limited	534,900	6,480,793	11,558,481	4,542,788	-	12,784,745	(5,400,868)	(1,946,422)	(3,454,446)	
68	Mahavir Den Entertainment Private Limited	5,135,760	44,474,556	148,394,243	98,783,927	-	87,755,071	(17,288,878)	(4,606,674)	(12,682,204)	
69	Den Citi Channel Private Limited	7,720,900	5,150,299	22,596,751	9,725,552	-	18,356,394	(3,006,402)	31,741	(3,038,143)	
70	Amogh Broad Band Services Private Limited	189,598,200	250,085,954	511,378,043	71,693,889	-	190,351,937	(12,339,425)	39,299,200	(51,638,625)	
71	Star Channel Den Network Private Limited	698,000	1,199,825	3,385,732	1,487,907	-	7,800,132	(392,736)	(119,462)	(273,274)	
72	Kishna Den Cable Networks Private Limited	573,070	(2,767,608)	2,167,013	4,361,551	-	6,147,555	(2,003,663)	-	(2,003,663)	
73	Fab Den Network Private Limited	2,135,810	23,284,237	49,277,800	23,857,753	-	42,838,776	2,776,370	461,701	2,314,668	
74	Den Satellite Network Private Limited	1,005,900	780,800,689	1,614,387,243	832,580,654	-	990,384,846	171,888,498	52,816,195	119,072,303	
75	United Cable Network (Digital) Private Limited	500,000	(1,102,293)	2,160,772	2,763,065	-	1,766,772	(708,267)	(215,853)	(492,414)	

(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
76	Shree Ram Den Network Private Limited	-	-	-	-	-	-	-	-	-	-
77	Den Krishna Vision Private Limited	500,000	(1,432,488)	535,772	1,468,260	-	3,894,457	270,608	51,564	219,044	
78	Cab-i-Net Communications Private Limited	20,000,000	(7,902,733)	31,894,192	19,796,926	-	41,804,514	(2,967,682)	-	(2,967,682)	
79	Divya Drishti Den Network Private Limited	740,250	33,739	2,017,156	1,243,167	-	4,729,070	(418,973)	(129,192)	(289,781)	
80	Den Sahyog Cable Network Private Limited	500,000	776,904	9,084,710	7,807,806	-	18,502,988	(207,989)	29,532	(237,521)	
81	Den Sariga Communications Private Limited	959,550	468,489	4,058,970	2,630,931	-	4,357,102	(1,818,536)	-	(1,818,536)	
82	DEN New Broad Communications Private Limited	723,020	44,891,952	103,651,219	58,036,247	-	168,713,113	(4,327,222)	(1,184,696)	(3,142,526)	
83	Den Sports & Entertainment Private Limited (Formerly Known as IME Networks Private Limited)	221,190,000	(2,479,392)	218,738,084	27,476	-	-	(1,902,891)	-	(1,902,891)	
84	Den Soccer Private Limited (Formerly Known as Astron Media Networks Private Limited)	215,500,000	(482,860,873)	97,387,671	364,748,544	-	80,803,779	(483,857,197)	-	(483,857,197)	
85	Den Kattakada Telecasting and Cable Services Private Limited	995,580	(8,363,251)	21,776,394	29,144,065	-	24,006,257	(15,393,601)	-	(15,393,601)	
86	Kerala Entertainment Private Limited	1,180,000	34,527,436	40,802,104	5,094,668	-	27,275,109	1,749,038	340,201	1,408,837	
87	Den A.F. Communication Private Limited	959,430	278,954	9,912,663	8,674,279	-	7,552,010	392,996	161,013	231,983	
88	Big Den Entertainment Private Limited	600,390	8,051,743	13,573,428	4,921,295	-	21,763,300	929,666	283,699	645,967	

(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
89	Sree Gokulam Starnet Communication Private Limited	100,000	(6,849,045)	12,070,963	18,820,008	-	11,289,540	1,054,028	5,876	1,048,152	
90	Rajasthan Entertainment Private Limited	840,000	8,171,893	9,200,238	188,345	-	3,256,598	(307,833)	(95,074)	(212,759)	
91	Fun Cable Network Private Limited	500,000	(4,987,112)	6,119,928	10,607,040	-	14,356,621	(318,095)	-	(318,095)	
92	Uttar Pradesh Digital Cable Network Private Limited	2,980,000	10,494,821	13,953,946	479,125	-	894,207	(568,100)	-	(568,100)	
93	Den Steel City Cable Network Private Limited	601,600	84,083	7,636,552	6,950,869	-	4,911,146	(580,945)	464,340	(1,045,285)	
94	Sanmati DEN Cable TV Network Private Limited	552,400	1,685,244	11,901,523	9,663,879	-	12,857,332	(717,576)	(119,388)	(598,188)	
95	Crystal Vision Media Private Limited	500,000	55,780,501	102,004,500	45,723,999	-	89,135,478	1,548,302	(1,279,492)	2,827,794	
96	Multi Channel Cable Network Private Limited	555,560	(5,906,297)	14,288,979	19,639,716	-	19,257,363	(3,548,379)	(213,847)	(3,334,532)	
97	Victor Cable Tv Network Private Limited	5,901,960	(3,278,786)	14,020,920	11,397,746	-	21,015,723	270,124	(378,762)	648,886	
98	Gemini Cable Network Private Limited	55,000,000	3,502,211	99,116,809	40,614,599	-	64,110,080	5,746,361	333,150	5,413,211	
99	Matrix Cable Network Private Limited	12,053,340	(2,791,454)	11,644,195	2,382,309	-	1,167,201	(1,313,823)	1,965,071	(3,278,894)	
100	DEN Enjoy SBNM Cable Network Private Limited	1,350,000	1,803,462	9,425,429	6,271,967	-	9,497,579	396,272	122,453	273,819	
101	Ambika DEN Cable Network Private Limited	642,860	1,590,665	5,350,368	3,116,843	-	6,791,918	(153,433)	(40,346)	(113,087)	
102	Saturn Digital Cable Private Limited	599,350	1,785,937	3,961,070	1,575,783	-	10,494,494	306,145	122,490	183,655	
103	Multi Star Cable Network Private Limited	670,000	784,374	2,837,488	1,383,114	-	3,136,187	1,689,657	660,990	1,028,667	
104	VM Magic Entertainment Private Limited	500,000	6,025,696	8,356,925	1,831,229	-	-	(1,336,655)	-	(1,336,655)	



(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
105	Antique Communications Private Limited	571,500	(173,732)	5,416,057	5,018,289	-	5,426,629	(816,587)	(248,741)	(567,846)	
106	Bhadohi DEN Entertainment Private Limited	671,110	1,351,303	2,812,070	789,657	-	3,940,820	202,757	67,252	135,505	
107	Sanmati Entertainment Private Limited	602,390	(109,500)	5,099,215	4,606,325	-	6,104,250	(2,264,168)	(688,040)	(1,576,128)	
108	Capital Entertainment Private Limited	500,000	(91,424)	537,089	128,513	-	-	(31,620)	-	(31,620)	
109	Disk Cable Network Private Limited	1,657,910	6,498,337	8,168,488	12,241	-	-	(34,911)	-	(34,911)	
110	Shaakumbhari Den Media Private Limited	4,467,000	(6,685,935)	4,510,325	6,729,260	-	12,986,856	(4,355,736)	-	(4,355,736)	
111	Silverline Television Network Private Limited	750,000	5,818,171	33,044,359	26,476,188	-	19,886,356	8,930,819	2,698,465	6,232,354	
112	Eminent Cable Network Private Limited	988,350	113,734,621	371,164,189	256,441,217	-	258,150,110	71,939,814	27,715,753	44,224,061	
113	Trident Entertainment Private Limited	500,000	(3,605,000)	11,173,006	14,278,005	-	14,326,457	(959,725)	(277,661)	(682,064)	
114	Rose Entertainment Private Limited	7,750,000	7,904,008	23,225,669	7,571,661	-	9,325,963	1,016,125	345,104	671,021	
115	Blossom Entertainment Private Limited	500,000	(1,374,039)	2,951,594	3,825,634	-	4,024,940	(1,070,162)	(296,175)	(773,987)	
116	Ekta Entertainment Network Private Limited	1,195,750	25,036,968	63,902,482	37,669,764	-	65,162,847	6,812,439	2,115,240	4,697,199	
117	DEN ADN Network Private Limited	38,000,000	55,932,338	310,016,975	216,084,638	-	253,368,571	34,521,047	11,200,059	23,320,988	
118	CCN DEN Network Private Limited	40,000,000	45,063,863	594,856,770	509,792,907	-	380,362,291	13,205,535	4,504,802	8,700,733	
119	Devine Cable Network Private Limited	533,130	5,888	1,571,052	1,032,034	-	1,651,437	(111,111)	(31,518)	(79,593)	
120	Nectar Entertainment Private Limited	594,350	(666,107)	6,415,820	6,487,577	-	5,272,521	(1,137,053)	(338,732)	(798,321)	

(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of investment in subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
121	DEN STN Television Network Private Limited	1,800,000	(186,801)	10,854,866	9,241,667	-	19,956,569	(2,828,309)	(1,427,029)	(1,401,280)	
122	Multitrack Cable Network Private Limited	2,795,000	(7,681)	5,456,931	2,669,612	-	10,510,683	(1,284,970)	(401,814)	(883,156)	
123	Glimpse Communication Private Limited	100,000	153,042	4,639,968	4,386,925	-	4,584,708	(442,430)	(145,160)	(297,270)	
124	Indradhanush Cable Network Private Limited	500,000	(3,322,767)	11,140,014	13,962,780	-	5,757,689	(4,184,643)	(1,222,814)	(2,961,829)	
125	Adhumik Cable Network Private Limited	500,000	(867,408)	3,077,383	3,444,791	-	4,197,003	(788,666)	(238,860)	(549,806)	
126	Pee Cee Cable Network Private Limited	-	-	-	-	-	-	-	-	-	
127	Libra Cable Network Private Limited	2,936,760	65,300,827	131,151,727	62,914,141	-	94,088,443	7,916,171	1,986,913	5,929,258	
128	Srishti Den Networks Private Limited (Platinum Cable Tv Network Private Limited)	500,000	9,274,425	116,617,938	106,843,513	-	94,205,840	1,512,870	631,119	881,751	
129	Maitri Cable Network Private Limited	900,000	556,647	3,376,412	1,919,765	-	2,544,593	854,051	253,768	600,283	
130	Melody Cable Network Private Limited	1,250,000	(1,023,868)	2,399,690	2,173,558	-	1,067,937	(887,353)	(274,192)	(613,161)	
131	Mountain Cable Network Private Limited	1,000,000	(1,486,930)	2,746,700	3,233,630	-	3,942,394	(1,360,868)	(420,993)	(939,875)	
132	Portrait Cable Network Private Limited	1,200,000	(1,154,041)	3,070,873	3,024,914	-	4,134,944	(583,322)	(174,070)	(409,252)	
133	Mansion Cable Network Private Limited	98,147,900	304,610,210	549,636,969	146,878,860	-	373,739,150	73,168,851	24,063,365	49,105,486	20,000,000
134	SkyNet Cable Network Private Limited	8,150,000	(1,506,611)	11,152,842	4,509,453	-	3,279,601	(1,318,506)	-	(1,318,506)	
135	DEN Discovery Digital Networks Private Limited	366,420	50,400,291	286,327,450	235,560,739	-	203,406,431	14,995,503	4,950,401	10,045,102	

(In Rs.)

S. No.	Name of Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Detail of investment (except in case of subsidiaries)	Turnover	Profit Before Taxation (PBT)	Provision for Taxation	Profit After Taxation (PAT)	Proposed Dividend
136	Jhankaar Cable Network Private Limited	2,500,000	(5,837,052)	9,619,524	12,956,577	-	13,260,695	(3,985,660)	-	(3,985,660)	
137	Konark IP Dossiers Private Limited	30,000,000	(480,978)	85,690,542	56,171,520	-	103,377,860	2,873,205	(733,812)	3,607,017	
138	Den ABC Cable Networks Ambarnath Private Limited	22,600,000	(4,236,793)	40,302,169	21,938,962	-	46,070,145	3,635,743	735,798	2,899,945	
139	Den Premium Multilink Cable Network Private Limited	100,000	28,430,978	140,098,779	111,567,801	-	81,511,134	9,185,160	3,699,600	5,485,560	
140	Angel Cable Network Private Limited	1,000,000	1,994,284	6,245,550	3,251,266	-	10,659,181	1,818,553	567,958	1,250,595	
141	Scorpio Cable Network Private Limited	2,000,000	(393,473)	4,039,715	2,433,188	-	5,277,054	(216,507)	(66,843)	(149,664)	
142	Desire Cable Network Private Limited	1,425,000	(2,718,065)	4,059,460	5,352,525	-	2,710,129	(3,482,659)	(1,075,684)	(2,406,975)	
143	Marble Cable Network Private Limited	1,929,610	21,954	8,246,239	6,294,675	-	5,126,395	111,794	35,065	76,729	
144	Augment Cable Network Private Limited	1,000,000	1,572,634	6,072,630	3,499,996	-	4,652,439	2,088,779	644,321	1,444,458	
145	ABC Cable Network Private Limited	1,104,470	249,963	5,201,499	3,847,066	-	6,686,155	540,355	189,491	350,864	
146	Den MTN Star Vision Cable Private Limited	676,890	1,549,133	4,446,451	2,220,428	-	4,628,982	(361,521)	-	(361,521)	
147	Marco Commerce Private Limited	50,000,000	(45,678,643)	41,683,908	37,362,550	-	15,883,166	(45,645,124)	-	(45,645,124)	
148	Star Den Media Services Private Limited	25,000,000	400,987,944	892,063,426	466,075,482	-	226,387,704	36,939,764	2,148,054	34,791,710	

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF DEN NETWORKS LIMITED

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **DEN Networks Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its jointly controlled entities as at 31<sup>st</sup> March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

### EMPHASIS OF MATTERS

We draw attention to note 43 of the consolidated financial statements wherein it is stated that the Digital Addressable System (DAS) subscription fee has not yet been finalised and the revenue on account of the same has been recognised based on certain estimates which in the management's view are reasonable.

Our opinion is not modified in respect of these matters.

### OTHER MATTER

- (a) We did not audit the financial statements of 140 subsidiaries and 2 jointly controlled entities, whose financial statements reflect total assets of Rs. 9,191.00

million as at 31<sup>st</sup> March, 2015, total revenues of Rs. 3,096.94 million and net cash outflows amounting to Rs. 341.29 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of Rs. 636.57 million as at 31<sup>st</sup> March, 2015, total revenues of Rs. 402.06 million and net cash inflows amounting to Rs. 8.90 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act, based on the comments in the auditors' report of the Holding company, subsidiary companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled companies incorporated in India, none of the directors of the Group companies and jointly controlled companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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 information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entities.
  - ii. The Group and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and jointly controlled companies incorporated in India.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm's registration no. 015125N)

**JITENDRA AGARWAL**

Partner  
(Membership No. 87104)

**NEW DELHI**  
11 May, 2015

# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

"Our reporting on the Order includes 140 subsidiary companies and 2 jointly controlled companies incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements."

"In respect of 5 subsidiary companies incorporated in India, which have been included in the consolidated financial statements based on unaudited financial statements of such entities provided to us by the Management, whilst in our opinion, and according to the information and explanations given to us, reporting under the Order is applicable in respect of these entities, since these entities are unaudited, the possible effects of the same on our reporting under the Order in the case of these consolidated financial statements has not been considered."

i. In respect of the fixed assets of the Holding Company, subsidiary companies and jointly controlled companies incorporated in India:

(a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets other than certain subsidiaries which are in the process of updation of records showing full particulars including quantitative details and situation of its fixed assets. These net block of the fixed assets of these subsidiaries are 8.13% of the total net block of the consolidated financial statements.

(b) The Holding Company, subsidiary companies and jointly controlled companies incorporated in India have a program of verification of fixed assets to cover all the items in a phased periodical programme of verification other than set top boxes which are in possession of the customers/third parties and distribution equipment comprising overhead and underground cables. Management of the respective entities is of the view that it is not possible to verify these assets due to their nature and location. Pursuant to the program, certain fixed assets were physically verified by the Management of the respective entities during the year. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.

In our opinion and the opinion of the other auditors, other than for physical verification of set top boxes and distribution equipment referred to

above, the frequency of verification of fixed assets is reasonable having regard to above, the frequency of verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

ii. In respect of the inventories of the Holding Company:

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Holding Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

In the opinion of the auditors of the subsidiary companies and jointly controlled entities and according to information and explanations given to the auditors of the subsidiary companies and jointly controlled entities, clause (ii) of the Order is not applicable to the subsidiary companies and jointly controlled entities since the operations of these subsidiary companies and jointly controlled entities do not give rise to any inventory.

iii. According to the information and explanations given to us, the Holding Company, subsidiary companies and jointly controlled companies incorporated in India have granted loans, to the extent included in the consolidated financial statements, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities. In respect of such loans:

(a) The receipts of principal amounts and interest have been regular/as per stipulations.

(b) In respect of overdue amounts of over Rs. 1 lakh remaining outstanding as at the year-end, as explained to us and the other auditors, the Management of the respective entities have taken reasonable steps for recovery of the principal amounts and interest.

iv. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, having regard to the explanations that some of the capital items purchased at the Holding

Company are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company, subsidiary companies and jointly controlled companies incorporated in India commensurate with the size of the respective entities and the nature of their business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our and the other auditors audit, no major weakness in such internal control system has been observed.

- v. According to the information and explanations given to us, the Holding Company, subsidiary companies and jointly controlled companies incorporated in India have not accepted any deposit during the year.
- vi. We have broadly reviewed the cost records maintained by the Holding Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and the Cost Records and Audit (Telecommunication Industry) Rules prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *Prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

In the opinion of the other auditors and according to the information and explanations given to the auditors of the subsidiary companies and jointly controlled entities, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the services provided by the subsidiary companies and jointly controlled entities.

- vii. According to the information and explanations given to us, and the other auditors in respect of statutory dues of the Holding Company, subsidiary companies and jointly controlled companies incorporated in India:
  - a. The respective entities have generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
  - b. Dues of Employees' State Insurance, Provident Fund, Service Tax, Welfare Fund, Income Tax, Local Body Tax and Entertainment Tax, aggregating to Rs. 0.15 million, Rs. 0.01 million, Rs. 3.53 million, Rs. 0.07 million, Rs. 0.22 million, Rs. 2.55 million and Rs. 22.83 million, respectively were due by Holding Company and 15 subsidiary companies incorporated in India for a period of more than six months from the date they became payable. There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues as applicable to the respective entries in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
  - c. Details of dues of Income Tax, Sales Tax, Value Added Tax and Service Tax which have not been deposited as on 31<sup>st</sup> March, 2015 on account of disputes by the aforesaid aggregate entries are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Aggregate amount involved (Rs./million)
UP Value Added Tax Act, 2008	Value added tax	Commercial Tax Tribunal, Lucknow	5.84
UP Value Added Tax Act, 2008	Value added tax	Additional Commissioner Appeals	100.39
UP Value Added Tax Act, 2008	Value added tax	Deputy Commissioner, Lucknow	14.36
Bihar Value Added Tax Act, 2005	Value added tax	Joint Commissioner of Commercial Tax (Appeals)	14.94
Karnataka Value Added Tax and CST Act, 2003	Value added tax and Central Sales Tax	Joint Commissioner of Commercial Tax (Appeals)	21.51
Kerala Value Added Tax and CST Act, 2003	Value added tax and Central Sales Tax	Assistant Commissioner Appeals, Commercial Taxes, Ernakulam	18.16
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	17.19
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	984.21
UP Value Added Tax Act, 2008	Sales tax	Department of Commercial Tax (VAT) Tribunal, Uttar Pradesh	38.43
Finance Act	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	9.22
Finance Act	Service Tax	Commissioner (Appeals) Service Tax	0.96

- (d) There are no amounts that are due to be transferred by the aforesaid entities to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- viii. The consolidated accumulated losses of the Group and jointly controlled entities at the end of the financial year are less than fifty percent of its consolidated net worth and the Group, and jointly controlled entities have not incurred cash losses on a consolidated basis during the financial year covered by our audit and immediately preceding financials year.
- ix. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies and jointly controlled companies incorporated in India have not defaulted in the repayment of dues to financial institutions and banks. The Holding Company, subsidiary companies and jointly controlled companies incorporated in India have not issued any debentures.
- x. According to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies and jointly controlled companies incorporated in India have not given guarantees for loans taken by others from banks and financial institutions.
- xi. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company and subsidiary companies and jointly controlled companies incorporated in India during the year for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, subsidiary companies and jointly controlled companies incorporated in India and no material fraud on the Holding Company, its subsidiaries and jointly controlled companies incorporated in India has been noticed or reported during the year.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm's registration no. 015125N)

**Sd/-**

**JITENDRA AGARWAL**

Partner

(Membership No. 87104)

**NEW DELHI**

11 May, 2015



# CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2015

	Particulars	Note No.	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>A.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1. SHAREHOLDERS' FUNDS</b>			
	a. Share capital	3	1,777.42	1,775.67
	b. Reserves and surplus	4	15,316.67	16,779.35
			17,094.09	18,555.02
	<b>2. SHARE APPLICATION MONEY PENDING ALLOTMENT</b>	25	-	4.50
	<b>3. PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANY OUTSIDE THE GROUP</b>	26	25.00	25.00
	<b>4. MINORITY INTEREST</b>	38	1,654.54	1,335.22
	<b>5. NON-CURRENT LIABILITIES</b>			
	a. Long-term borrowings	5	3,379.70	4,464.38
	b. Deferred tax liabilities (net)	30 (b)	56.38	51.06
	c. Other long-term liabilities	6	4.75	5.09
	d. Long-term provisions	7	99.33	81.55
			3,540.16	4,602.08
	<b>6. CURRENT LIABILITIES</b>			
	a. Short-term borrowings	8	746.32	708.72
	b. Trade payables	9	2,765.70	3,114.74
	c. Other current liabilities	10	7,722.14	7,259.73
	d. Short-term provisions	11	73.71	12.19
			11,307.87	11,095.38
	<b>TOTAL</b>		<b>33,621.66</b>	<b>35,617.20</b>
<b>B.</b>	<b>ASSETS</b>			
	<b>1. NON-CURRENT ASSETS</b>			
	a. Fixed assets			
	i Tangible assets	12	11,121.88	10,677.12
	ii Intangible assets	12	138.62	124.26
	iii Capital work-in-progress		1,103.49	939.65
			12,363.99	11,741.03
	b. Goodwill on consolidation	33 (a)	2,990.19	2,750.63
	c. Deferred tax assets (net)	30 (c)	419.54	451.39
	d. Long-term loans and advances	13	2,696.19	2,086.43
	e. Other non-current assets	14	183.52	232.23
			18,653.43	17,261.71
	<b>2. CURRENT ASSETS</b>			
	a. Current investments	15	1,452.30	3,794.69
	b. Trade receivables	16	3,980.06	3,919.22
	c. Cash and cash equivalents	17	8,205.84	8,629.75
	d. Short-term loans and advances	18	656.66	1,034.73
	e. Other current assets	19	673.37	977.10
			14,968.23	18,355.49
	<b>TOTAL</b>		<b>33,621.66</b>	<b>35,617.20</b>

See accompanying notes forming part of the consolidated financial statements

**In terms of our report attached**  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**SAMEER MANCHANDA**  
Chairman Managing Director  
DIN: 00015459

**AJAYA CHAND**  
Director  
DIN: 02334456

**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

**MANISH DAWAR**  
Group Chief Financial Officer

**JATIN MAHAJAN**  
Company Secretary  
FCS-6887

New Delhi  
11 May, 2015

New Delhi  
11 May, 2015

# CONSOLIDATED STATEMENT OF PROFIT & LOSS

## For The Year Ended 31<sup>st</sup> MARCH, 2015

	Particulars	Note No.	For the year ended 31.03.2015 (Rs. in million)	For the year ended 31.03.2014 (Rs. in million)
<b>1. REVENUE</b>				
	a. Revenue from operations	20	11,126.97	10,980.21
	b. Other income	21	1,047.55	768.98
	<b>TOTAL REVENUE</b>		<b>12,174.52</b>	<b>11,749.19</b>
<b>2. EXPENSES</b>				
	a. Employee benefit expense	22	1,107.04	1,060.12
	b. Finance costs	23	823.04	889.71
	c. Depreciation and amortisation expense	12	1,859.48	1,473.90
	d. Other expenses	24	9,265.24	7,195.08
	<b>TOTAL EXPENSES</b>		<b>13,054.80</b>	<b>10,618.81</b>
<b>3. PROFIT / (LOSS) BEFORE TAX</b>			<b>(880.28)</b>	<b>1,130.38</b>
<b>4. TAX EXPENSE</b>				
	a. Current tax expense [includes Rs. 0.83 million (previous year Rs. 19.67 million) related to jointly controlled entities]		297.57	438.74
	b. Less : MAT credit [includes Rs. 1.32 million (previous year Nil) related to jointly controlled entities]		(5.56)	(3.42)
	c. Short/ (Excess) provision for tax relating to prior years		(7.14)	(4.40)
	d. Reversal of excess MAT credit taken in prior years [includes Rs. Nil (previous year Rs. 12.87 million) related to jointly controlled entities]		14.16	12.87
	e. Net current tax expense		299.03	443.79
	f. Deferred tax	30	37.17	(64.82)
	<b>NET TAX EXPENSE</b>		<b>336.20</b>	<b>378.97</b>
<b>5. PROFIT / (LOSS) AFTER TAX BEFORE SHARE OF PROFIT / (LOSS) ATTRIBUTABLE TO MINORITY INTEREST</b>			<b>(1,216.48)</b>	<b>751.41</b>
<b>6. (Add) / less : Share of profit / (loss) attributable to Minority interest</b>		38	<b>223.73</b>	<b>367.42</b>
<b>7. PROFIT / (LOSS) FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY</b>			<b>(1,440.21)</b>	<b>383.99</b>
	Earnings per equity share (Face value of Rs. 10 per share)	41		
	Basic (Rs. per share)		(8.08)	2.38
	Diluted (Rs. per share)		(8.08)	2.38

**In terms of our report attached**  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

New Delhi  
11 May, 2015

**SAMEER MANCHANDA**  
Chairman Managing Director  
DIN: 00015459

**MANISH DAWAR**  
Group Chief Financial Officer

New Delhi  
11 May, 2015

**AJAYA CHAND**  
Director  
DIN: 02334456

**JATIN MAHAJAN**  
Company Secretary  
FCS-6887

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

	Particulars	For the year ended 31.03.2015 (Rs. in million)	For the year ended 31.03.2014 (Rs. in million)
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit before tax	(880.28)	1,130.38
	<b>Adjustments for :</b>		
	Depreciation and amortisation	1,859.48	1,473.90
	Loss on sale of investment	-	110.07
	Finance costs	823.04	889.71
	Provision for impairment of investment	11.95	-
	Doubtful debts and advances written off/provided	482.02	568.48
	Fixed assets/ capital work in progress written off	5.54	4.64
	Interest income	(655.78)	(391.89)
	Profit from sale of current investment	(205.12)	(168.48)
	Profit from sale of fixed assets	(10.96)	(0.85)
	Liabilities/ excess provisions written back	(98.12)	(113.68)
	Net (gain)/ loss on foreign currency transactions and translation	-	10.62
	Operating profit before working capital changes	1,331.77	3,512.90
	<b>Changes in working capital:</b>		
	Adjustments for (increase)/ decrease in operating assets:		
	Trade receivables	(501.52)	(1,071.58)
	Short-term loans and advances	233.13	(169.58)
	Long-term loans and advances	(111.31)	(48.86)
	Other current assets	307.87	(249.41)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	(349.04)	(377.76)
	Other current liabilities	312.55	(13.04)
	Other long-term liabilities	96.42	220.49
	Short-term provisions	4.63	0.27
	Long-term provisions	17.78	11.23
	Cash generated from/ (used in) operations	1,342.28	1,814.66
	Net income tax (paid) / refunds	(734.07)	(735.45)
	<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>608.21</b>	<b>1,079.21</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Capital expenditure on fixed assets, including capital advances	(3,168.33)	(5,839.56)
	Proceeds from sale of fixed assets	131.58	888.75
	Bank balances not considered as Cash and cash equivalents	(485.78)	(5,362.67)
	Current investments not considered as Cash and cash equivalents:		
	- Purchased	(3,590.09)	(23,572.92)
	- Proceeds from sale	6,137.60	21,261.03
	Increase in goodwill on consolidation from purchase of long-term investments	(268.76)	(34.91)
	Proceeds from sale of long-term investments:		
	- Subsidiaries	-	10.00
	Loan repaid by/(to) body corporate (net)	0.54	20.72
	Advance recovered/ (given) for investment	116.08	17.02

	Particulars	For the year ended 31.03.2015 (Rs. in million)	For the year ended 31.03.2014 (Rs. in million)
	Interest received	651.64	131.26
	<b>Net cash from/ (used in) investing activities (B)</b>	<b>(475.52)</b>	<b>(12,481.28)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of equity shares	5.25	9,626.81
	Share issue expenses	(2.72)	(279.49)
	Dividend distribution tax paid	(5.45)	(4.46)
	Proceeds from short term borrowings	37.60	165.51
	Proceeds from long term borrowings	1,666.95	4,174.68
	Repayment of long term borrowings	(1,972.81)	(1,567.76)
	Finance costs	(819.91)	(853.57)
	<b>Net cash from/ (used in) financing activities (C)</b>	<b>(1,091.09)</b>	<b>11,261.72</b>
	<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(958.40)</b>	<b>(140.35)</b>
	Cash and cash equivalents as at the beginning of the year	2,462.32	2,602.67
	<b>Cash and cash equivalents as at the end of the year (See note 17)*</b>	<b>1503.92</b>	<b>2,462.32</b>
	*Comprises:		
	a. Cash on hand	114.42	110.08
	b. Cheques on hand	4.90	559.75
	c. Balance with scheduled banks		
	i. in current accounts	1,341.37	1,666.12
	ii. in deposit accounts		
	-original maturity of 3 months or less	43.23	126.37
		<b>1,503.92</b>	<b>2,462.32</b>

See accompanying notes forming part of the consolidated financial statements

**In terms of our report attached**  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

New Delhi  
11 May, 2015

**SAMEER MANCHANDA**  
Chairman Managing Director  
DIN: 00015459

**MANISH DAWAR**  
Group Chief Financial Officer

New Delhi  
11 May, 2015

**AJAYA CHAND**  
Director  
DIN: 02334456

**JATIN MAHAJAN**  
Company Secretary  
FCS-6887

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. BACKGROUND

DEN Networks Limited (hereinafter referred to as 'the Company' or 'DEN') was incorporated on 10 July, 2007 and is engaged in distribution of television channels through analog and digital cable distribution network and provision of broadband services.

The Company changed its status from a Private Limited Company to a Public Limited Company on 15 April, 2008 thereby changing its name to DEN Digital Entertainment Networks Limited. Subsequently, the Company changed its name to DEN Networks Limited on 27 June, 2008.

During the financial year 2009-10, the Company issued and allotted 18,567,240 Equity Shares of face value of Rs. 10/- each, pursuant to the Initial Public Offer (IPO), which were admitted for listing and trading on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from November 24, 2009.

These consolidated financial statements comprise the consolidation of DEN Networks Limited (the Holding Company), its wholly owned and other subsidiaries and jointly controlled entities. These subsidiaries are mainly engaged in the business of distribution of cable television channels, internet and other related business. During the year, one of the wholly owned subsidiary Company has participated in Indian Super League (ISL) of Soccer and has been awarded the rights for Delhi. The jointly controlled entities are engaged in the business of distribution of television channels on all modes of distribution, including digital or analog, terrestrial satellite or any other emerging mode.

## 2. BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company, its subsidiaries and jointly controlled entities (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

### 2.2 Principles of consolidation

The consolidated financial statements relate to Den Networks Limited (the 'Company'), its subsidiary companies and jointly controlled entities. The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the subsidiary companies and jointly controlled entities used in the consolidation are drawn up to the same reporting date as that of the Company i.e., 31<sup>st</sup> March, 2015.
- b. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- c. Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity. Jointly controlled entities that are considered subsidiaries under AS 21 Consolidated Financial Statements are consolidated similar to the manner of consolidating subsidiaries (Refer (ii) above) and the share of interest of the other ventures in such entities is included as part of minority interest.
- d. The excess of cost to the Group of its investments in the subsidiary companies / jointly controlled entities over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / jointly controlled entities were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies / jointly controlled entities as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in

the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company / jointly controlled entity and such amounts are not set off between different entities.

- e. Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- f. Goodwill arising on consolidation is not amortised but tested for impairment.
- g. Following subsidiary companies and jointly controlled entities have been considered in the preparation of the consolidated financial statements:

**i. Wholly owned subsidiaries**

S. No.	Name of the Company
1	Aster Entertainment Private Limited
2	Den Digital Entertainment Gujarat Private Limited
3	Den Entertainment Network Private Limited
4	Den Futuristic Cable Networks Private Limited
5	Den RIS Cable Network Private Limited
6	Shine Cable Network Private Limited
7	Matrix Cable Network Private Limited
8	Den Montooshah Network Private Limited
9	Amogh Broad Band Services Private Limited
10	Den Sports & Entertainment Private Limited (Formerly Known as IME Networks Private Limited)
11	Shaakumbari Den Media Private Limited
12	Den Bellary City Cable Private Limited

**ii. Subsidiaries with 51% shareholding**

S. No.	Name of the Company
1	Bali Den Cable Network Private Limited
2	Big Den Entertainment Private Limited

S. No.	Name of the Company
3	Cab-i-Net Communications Private Limited
4	Den A.F. Communication Private Limited
5	Den Aman Entertainment Private Limited
6	Den Ashu Cable Private Limited
7	DEN BCN Suncity Network Private Limited
8	Den Bindra Network Private Limited
9	Den Budaun Cable Network Private Limited
10	Den Citi Channel Private Limited
11	Den Classic Cable TV Services Private Limited
12	DEN Crystal Vision Network Private Limited
13	Den Digital Cable Network Private Limited
14	Den Elgee Cable Vision Private Limited
15	Den Enjoy Cable Networks Private Limited
16	Den F K Cable Tv Network Private Limited
17	Den Fateh Marketing Private Limited
18	DEN Harsh Mann Cable Network Private Limited
19	Den Jai Ambey Vision Cable Private Limited
20	Den Kashi Cable Network Private Limited
21	Den Kattakada Telecasting and Cable Services Private Limited
22	Den Krishna Vision Private Limited
23	Den MaaSharda Vision Cable Networks Private Limited
24	Den Malabar Cable Vision Private Limited
25	Den MCN Cable Network Private Limited
26	Den Mod Max Cable Network Private Limited
27	Den Nashik City Cable Network Private Limited
28	Den Pradeep Cable Network Private Limited
29	Den Prince Network Private Limited
30	Den Sahyog Cable Network Private Limited
31	Den Sariga Communications Private Limited
32	Den Satellite Cable TV Network Private Limited
33	Den Supreme Satellite Vision Private Limited

S. No.	Name of the Company
34	Den Ucn Network India Private Limited
35	DEN Varun Cable Network Private Limited
36	Den-Manoranjan Satellite Private Limited
37	Drashti Cable Network Private Limited
38	Fab Den Network Private Limited
39	Fortune (Baroda) Network Private Limited
40	Galaxy Den Media & Entertainment Private Limited
41	Den Patel Entertainment Network Private Limited (formerly known as Mahadev Den Cable Net Private Limited)
42	Mahadev Den Cable Network Private Limited
43	DEN Malayalam Telenet Private Limited
44	Meerut Cable Network Private Limited
45	Radiant Satellite (India) Private Limited
46	Den Rajkot City Communication Private Limited (formerly known as Rajkot City Communication Private Limited)
47	Shree Ram Den Network Private Limited
48	Shree Siddhivinayak Cable Network Private Limited
49	SreeGokulamStarnet Communication Private Limited
50	United Cable Network (Digital) Private Limited
51	Crystal Vision Media Private Limited
52	Ambika Den Cable Network Private Limited
53	Den Steel City Cable Network Private Limited
54	Sanmati Den Cable TV Network Private Limited
55	Multi Channel Cable Network Private Limited
56	Victor Cable TV Network Private Limited
57	Gemini Cable Network Private Limited
58	Antique Communications Private Limited
59	Sanmati Entertainment Private Limited
60	VM Magic Entertainment Private Limited
61	Multi Star Cable Network Private Limited

S. No.	Name of the Company
62	Disk Cable Network Private Limited
63	Silverline Television Network Private Limited
64	Eminent Cable Network Private Limited
65	Trident Entertainment Private Limited
66	Rose Entertainment Private Limited
67	Blossom Entertainment Private Limited
68	Ekta Entertainment Network Private Limited
69	Devine Cable Network Private Limited
70	Nectar Entertainment Private Limited
71	CCN DEN Network Private Limited
72	DEN ADN Network Private Limited
73	Indradhanush Cable Network Private Limited
74	Adhunik Cable Network Private Limited
75	Glimpse Communication Private Limited
76	Multitrack Cable Network Private Limited
77	Pee Cee Cable Network Private Limited
78	Libra Cable Network Private Limited
79	Mahavir Den Entertainment Private Limited
80	DEN Discovery Digital Networks Private Limited
81	Jhankaar Cable Network Private Limited
82	Den Premium Multilink Cable Network Private Limited
83	Scorpio Cable Network Private Limited
84	Desire Cable Network Private Limited
85	Marble Cable Network Private Limited
86	Augment Cable Network Private Limited

**iii. Other subsidiaries**

S. No.	Name of the Company	31.03.2015	31.03.2014
1	Den Sky Media Network Private Limited	99%	99%
2	Den Narmada Network Private Limited	97%	97%
3	Den Infoking Channel Entertainers Private Limited	97%	97%
4	Den MewarRajdev Cable Network Private Limited	99%	95%
5	Mahadev Den Network Private Limited	95%	95%
6	Den Shiva Cable Network Private Limited	87%	87%
7	DEN Krishna Cable TV Network Private Limited	74%	74%
8	Den Radiant Satellite Cable Network Private Limited	65%	65%
9	DEN Pawan Cable Network Private Limited	63%	63%
10	Den Mahendra Satellite Private Limited	60%	60%
11	Den Satellite Network Private Limited (by virtue of control of composition of Board of Directors)	50%	50%
12	DEN Ambey Cable Networks Private Limited	60%	51%
13	Mansion Cable Network Private Limited	66%	51%

**iv. Step down subsidiaries**

S. No.	Name of the Company	31.03.2015	31.03.2014
<b>Den Futuristic Cable Networks Private Limited</b>			
1	Den Faction Communication System Private Limited	51%	51%
2	Den Nanak Communication Private Limited	51%	51%
3	Den Saya Channel Network Private Limited	51%	51%
4	Fun Cable Network Private Limited	51%	51%
<b>Den Ambey Cable Networks Private Limited</b>			
1	Den AmbeyFarukabad Cable Network Private Limited	100%	100%
2	Den Ambey Jhansi Cable Network Private Limited	100%	100%
3	DEN Prayag Cable Networks Private Limited	75%	75%
4	Melody Cable Network Private Limited	60%	60%
5	Den Ambey Citi Cable Network Private Limited	51%	51%
6	Den Deva Cable Network Private Limited	51%	51%
7	Star Channel Den Network Private Limited	51%	51%
8	Saturn Digital Cable Private Limited	51%	51%
9	Portrait Cable Network Private Limited	51%	51%
<b>Den Enjoy Cable Networks Private Limited</b>			
1	Den Enjoy Navaratan Network Private Limited	51%	51%
2	DEN Enjoy SBNM Cable Network Private Limited	51%	51%
<b>Den Kashi Cable Network Private Limited</b>			
1	DivyaDrishti Den Network Private Limited	51%	51%
2	Kishna Den Cable Networks Private Limited	51%	51%
3	Bhadohi DEN Entertainment Private Limited	51%	51%
<b>Den Satellite Network Private Limited</b>			
1	DEN New Broad Communications Private Limited	51%	51%
2	Den ABC Cable Networks Ambarnath Private Limited	51%	51%
3	Konark IP Dossiers Private Limited	50%	50%
<b>Amogh Broad Band Services Private Limited</b>			
1	Skynet Cable Network Private Limited	100%	100%



S. No.	Name of the Company	31.03.2015	31.03.2014
<b>Den Entertainment Network Private Limited</b>			
1	Kerela Entertainment Private Limited	100%	100%
2	Rajasthan Entertainment Private Limited	100%	100%
3	Uttar Pradesh Digital Cable Network Private Limited	100%	100%
4	Capital Entertainment Private Limited	100%	100%
5	Srishti Den Networks Private Limited (Platinum Cable Tv Network Private Limited)	51%	51%
<b>DEN Aman Entertainment Private Limited</b>			
1	Mountain Cable Network Private Limited	51%	51%
<b>DEN Malayalam Telenet Private Limited</b>			
1	Den MTN Star Vision Cable Private Limited	51%	51%
<b>Disk Cable Network Private Limited</b>			
1	Den STN Television Network Private Limited	51%	51%
2	Maitri Cable Network Private Limited	51%	100%
<b>Eminent Cable Network Private Limited</b>			
1	Angel Cable Network Private Limited	51%	51%
2	ABC Cable Network Private Limited	51%	51%
<b>Den Sports &amp; Entertainment Private Limited (Formerly Known as IME Networks Private Limited)</b>			
1	Den Soccer Private Limited (Formerly Known as Astron Media Networks Private Limited )	100%	100%

**v. Joint venture Companies**

S. No.	Name of the Company	31.03.2015	31.03.2014
1	Star Den Media Services Private Limited	50%	50%
2	Media Pro Enterprise India Private Limited	*	*
3	Marco Commerce Private Limited	50%	50%

\* Joint Venture of Star Den Media Services Private Limited who has 50% controlling interest in the Company. All the entities are incorporated in India.

h. The Company has consolidated the financial statements, of five subsidiary companies based on the financial statements as certified by the management of the subsidiary companies. These have not been audited by the statutory auditors of these entities. These financial statements reflect total assets of Rs. 636.57 million as at 31<sup>st</sup> March, 2015, total revenues of Rs. 402.06 million, net cash inflows amounting to Rs. 8.90 million and profit after tax amounting to Rs 8.91 million for the year ended on that date as considered in the consolidated financial statements. The management of the Holding Company is of the view that the adjustments, if any, arising out of the audit of the financial statements of these subsidiary companies will not have a material impact on the Consolidated Financial Statements.

**2.3 Use of estimates**

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts

of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.4 Cash and cash equivalents (for purpose of Cash Flow Statement)**

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

**2.5 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items

and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

## 2.6 Depreciation and amortisation

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

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

Building	60 years
Headend and distribution equipment	6 to 15 years
Set Top Boxes (STBs)	8 years
Office and other equipment	3 to 10 years
Furniture and fixtures	6 years
Vehicles	6 years
Leasehold improvements	Lower of the useful life and the period of the lease
Fixed assets acquired through	5 years as business purchase estimated by an approved valuer
Intangible assets are amortised over their estimated useful life on straight line method as follows:	
Goodwill	5 years
Distribution network rights	5 years
Software	5 years
License fee for internet	Over the period service of license Agreement
Non-compete fees	5 years

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

## 2.7 Revenue recognition

### i. Income from operations

1. Service revenue comprises subscription income from digital and analog subscribers, placement of channels, advertisement revenue, fees for rendering management, technical and consultancy services and other related services. Income from services is recognised upon completion of services as per the terms of contracts with the customers. Period based services are accrued and recognised pro-rata over the contractual period.
2. Activation fees on STBs is recognised on activation of boxes once issued to customers.
3. Amounts billed for services in accordance with contractual terms but where revenue is not recognised, have been classified as advance billing and disclosed under current liabilities.
4. Revenue from prepaid internet service plans, which are active at the end of accounting period, is recognised on time proportion basis.
5. Commission income is recognised based on the terms of the agreement.

### ii. Sale of equipment

Revenue for sale of equipment is recognised on delivery to customers which coincide with transfer of significant risks and rewards of ownership of the equipment. The time of transfer and the amount is determined based on the arrangement between the parties involved.

In case of VAT collected on sales, exclusive method is followed, where sales and expenditure will not include VAT. VAT collected is disclosed under current liabilities and not routed through Consolidated Statement of Profit and Loss.

## 2.8 Other income

1. Profit on sale of investments in mutual funds is recorded on transfer of risk and rewards from the Group and is determined as the difference between the sales price and the carrying value of the investment.
2. Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

## 2.9 Tangible assets

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax

authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

**Capital work-in-progress:** Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

## 2.10 Intangible assets

1. Intangible assets acquired in business acquisitions are stated at fair value as determined by the management of the Group on the basis of valuation by expert valuers, less accumulated amortisation.
2. Other intangible assets are stated at cost of acquisition less accumulated amortisation. The actual cost capitalised includes purchase price, and all other attributable costs of bringing the assets to working condition for intended use.

## 2.11 Foreign currency transactions and translations

### a. Initial recognition

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

### b. Measurement at the balance sheet date

Foreign currency monetary items of the Group, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.

### c. Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Consolidated Statement of Profit and Loss.

### d. Exchange difference on long-term foreign currency monetary items

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of

settlement of such monetary items, whichever is earlier, and charged to the Consolidated Statement of Profit and Loss.

## 2.12 Investments

Trade investments are investments made to enhance the Group's business interests. Investments are classified either as long term or current investments, based on management's intention at the time of purchase. Long-term investments are stated at cost less provision for other than temporary diminution in the carrying value, as determined separately for each investment. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

## 2.13 Employee benefits

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

### a. Defined contribution plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### b. Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### c. Short term employee benefits

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

**d. Long term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

**2.14 Employee share based payments**

The Group has formulated Employee Stock Option Schemes (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share Based Employee Benefits) Regulations 2014. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Group that vest in a graded manner and that are to be exercised within a specified period. In accordance with the SEBI Guidelines; the excess, if any, of the closing market price on the day prior to the grant of the options under ESOS over the exercise price is amortised on a straight-line basis over the vesting period.

The Company has constituted Employee Stock Option Plan 2010 (“ESOP 2010”) and Employee Stock Option Plan 2014 (“ESOP 2014”). Employee Stock Options granted on or after 1 April, 2005 are accounted under the ‘Intrinsic Value Method’ stated in the Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India.

**2.15 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan.

**2.16 Segment information****a. Business segments**

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue,

segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”. (See also note 28)

**b. Geographical segments**

Secondary segmental reporting is performed on the basis of the geographical location of customers i.e. within India and overseas.

**2.17 Leases**

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

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

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

**2.18 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary

operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 2.19 Taxes on income

Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the applicable tax rates and the provisions of Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

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

### 2.20 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment

is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

### 2.21 Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### 2.22 Share issue expenses

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

### 2.23 Service tax input credit

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

### 2.24 Operating Cycle

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

Particulars	As at	As at
	31.03.2015 (Rs. in million)	31.03.2014 (Rs. in million)
<b>3. SHARE CAPITAL</b>		
<b>A. AUTHORISED</b>		
200,000,000 (Previous year 200,000,000) equity shares of Rs. 10 each with voting rights	2,000.00	2,000.00
<b>B. ISSUED, SUBSCRIBED AND FULLY PAID UP</b>		
178,199,806 (Previous year 178,199,806) equity shares of Rs. 10 each fully paid up with voting rights	1,782.00	1,782.00
Less : Amount recoverable from DNL Employee Welfare Trust [457,931 (Previous year 632,942) number of shares issued to trust @ Rs. 10 per share]	4.58	6.33
	<b>1,777.42</b>	<b>1775.67</b>

**Of the above:**

- 72,475,520 equity shares of Rs. 10 each were issued in 2009-10 as bonus shares in the ratio of 4:1 for every one equity share by utilisation of securities premium.
- In 2009-10, the Company issued bonus shares for 39,993,000 .001% Cumulative Convertible Preference Shares of Rs. 10 each in the ratio of one share for every ten .001% Cumulative Convertible Preference Shares held by its shareholders by utilisation from the securities premium account resulting into total of 43,992,300 .001% Cumulative Convertible Preference Shares. These shares were subsequently converted into 13,361,361 fully paid up equity shares of Rs. 10 each in 2009-10.
- 4,019,606 fully paid up equity shares of Rs. 10 each at premium of Rs. 185 were issued in 2009-10 against consideration payable towards investments made in subsidiary companies.
- Reconciliation of the number and amount of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at		As at	
	31.03.2015		31.03.2014	
	No. of Shares	Amount (Rs. in million)	No. of Shares	Amount (Rs. in million)
Opening balance	178,199,806	1,782.00	134,024,101	1,340.24
Add : Allotment under Qualified Institutional Placement (QIP) as per chapter VIII of SEBI (ICDR) Regulations, 2009.	-	-	12,466,321	124.66
Add : Allotment under Preferential Issue as per Chapter VII of SEBI (ICDR) Regulations, 2009.	-	-	31,709,384	317.10
<b>Closing Balance</b>	<b>178,199,806</b>	<b>1,782.00</b>	<b>178,199,806</b>	<b>1,782.00</b>

- Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at		As at	
	31.03.2015		31.03.2014	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity shares with voting rights:</b>				
Sameer Manchanda	46,654,550	26.18%	46,654,550	26.18%
Broad Street Investment (Singapore) Pte. Ltd.	28,826,713	16.18%	28,826,713	16.18%
Lucid Systems Private Limited	<b>16,000,000</b>	<b>8.98%</b>	<b>16,000,000</b>	<b>8.98%</b>
Acacia Banyan Partners (directly/through affiliates)	<b>11,000,000</b>	<b>6.17%</b>	-	<b>0.00%</b>

- “As at 31<sup>st</sup> March, 2015 11,053,394 shares (As at 31<sup>st</sup> March, 2014 1,693,404 shares) were reserved for issuance as follows:
  - 1,680,000 shares (As at 31<sup>st</sup> March, 2014; 450,000 shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan 2010<sup>™</sup> and 4,450,000 shares (As at 31<sup>st</sup> March, 2014 Nil shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan-B 2014. (Refer Note 36)
  - 463,404 shares (As at 31<sup>st</sup> March, 2014; 1,693,404 shares) of Rs. 10 each towards outstanding employee stock options available for grant under Employee Stock Option Plan 2010, 4,995 shares (As at 31<sup>st</sup> March, 2014 Nil shares) of Rs. 10 each towards outstanding employee stock options available for grant under Employee Stock Option Plan-B 2014 and 4,454,995 shares (As at 31<sup>st</sup> March, 2014 Nil shares) of Rs. 10 each towards outstanding employee stock options available for grant under Employee Stock Option Plan-A 2014.”

**g. Other disclosures**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is eligible for one vote per share held and dividend as and when declared by the Company. Interim Dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholder’s approval. Dividends are paid in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

Particulars		As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>4. RESERVES AND SURPLUS</b>			
<b>a. Securities premium</b>			
i. Opening balance		15,138.97	6,176.00
ii. Add: Premium on shares issued during the year		-	9,166.46
iii. Less : Utilised during the year for writing off share issue expenses (Net of Deferred tax assets of Rs. Nil (Previous year Rs. 76.00 million)		2.72	203.49
iv. Closing balance		15,136.25	15,138.97
v. Less : Amount recoverable from DNL Employee Welfare Trust [457,931 (Previous year 632,942) number of shares issued to trust @ Rs. 20 per share]		9.16	12.66
	(A)	<b>15,127.09</b>	<b>15,126.31</b>
<b>b. General reserve</b>	(B)	<b>208.69</b>	<b>208.69</b>
<b>c. Surplus / (Deficit) in Consolidated Statement of Profit and Loss</b>			
i. Opening balance		1,444.35	1,064.82
ii. Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (See Note 44)		17.80	-
iii. Add: Profit / (Loss) for the year		(1,440.21)	383.99
		(13.66)	1,448.81
iv. Dividend distribution tax		(5.45)	(4.46)
v. Closing balance	(C)	<b>(19.11)</b>	<b>1,444.35</b>
	<b>(A+B+C)</b>	<b>15,316.67</b>	<b>16,779.35</b>
<b>Share of Jointly controlled entities (See Note 40)</b>		<b>355.33</b>	<b>366.19</b>
<b>5. LONG-TERM BORROWINGS</b>			
<b>a. Term loans (Secured)</b>			
i. from banks (See footnote i)		315.18	530.33
ii. from financial institution (See footnote ii)		800.00	1,200.00
iii. from other parties (See footnote iii)		1,198.79	750.53
<b>b. Long-term maturities of finance lease obligations (See note 32)</b>		<b>1,054.35</b>	<b>1,973.45</b>
(Secured by hypothecation of assets purchased under finance lease agreement and payable in equal monthly installments. Applicable rate of interest is 8.55%)			
<b>c. Other loans</b>			
Vehicle loans		8.89	4.99
(Secured by hypothecation of vehicles and payable in equal monthly installments. The loan is repayable in 1 to 37 installments ending in Jan-2017. Applicable rate of interest is 9.71% to 10.96%)			
<b>d. Unsecured (See footnote iv)</b>		<b>2.49</b>	<b>5.08</b>
<b>Share of Jointly controlled entities (See Note 40)</b>		<b>3,379.70</b>	<b>4,464.38</b>

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured borrowings:

#### Footnotes

Secured	As at 31.03.2015		As at 31.03.2014	
	Long-Term debts	Current Maturities of long-term debts	Long-Term debts	Current Maturities of long-term debts
<b>i. Term loan from banks are secured as follows:</b> By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan outstanding as at balance sheet date is repayable in 2 quarterly installments commencing from June-2015 and ending in September-2015. Applicable rate of interest is 14.50%.	-	54.81	54.97	110.00
By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. This loan is further guaranteed by Mr. Sameer Manchanda (Chairman and Managing Director of the Company). The loan outstanding as at balance sheet date is repayable in 4 quarterly installments commencing from April-2015 and ending in January-2016. Applicable rate of interest is 13.00%.	-	184.88	184.88	185.00
By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan outstanding as at balance sheet date is repayable in 9 quarterly installments commencing from April-2015 and ending in April-2017. Applicable rate of interest is 13.00%.	78.18	65.00	139.61	65.00
By first pari passu charge on fixed assets of a subsidiary company and second pari passu charge on all current assets of a subsidiary company. This loan is further guaranteed by security of director of subsidiary company and letter of comfort by Holding Company. The loan outstanding as at balance sheet date is repayable in 24 quarterly installments commencing from October-2015 and ending in September-2021. Applicable rate of interest is 13.25%.	2.48	-	-	-
By first pari passu charge on fixed assets of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan outstanding as at balance sheet date is repayable in 14 quarterly installment commencing from June-2015 and ending in September-2018. Applicable rate of interest is 13.00%.	141.87	56.76	58.22	-
By first pari passu charge on entire fixed assets of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company. The loan outstanding as at balance sheet date is repayable in 8 quarterly installment commencing from April-2016 and ending in January-2018. Applicable rate of interest is 12.30%.	92.65	-	92.65	-
	315.18	361.45	530.33	360.00
<b>ii. Term loan from financial institution is secured as follows:</b> By first pari passu charge on fixed assets of the Company (existing and proposed) and first pari passu charge on all current assets of the Company. Pledge of shares held by the Company in its Subsidiaries, both present and future. The loan outstanding as at balance sheet date is repayable in 12 quarterly installments commencing from May-2015 and ending in March-2018. Applicable rate of interest is 11.50%.	800.00	400.00	1,200.00	400.00



Secured	As at 31.03.2015		As at 31.03.2014	
	Long-Term debts	Current Maturities of long-term debts	Long-Term debts	Current Maturities of long-term debts
<b>iii. Term loan from others</b> This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the fixed assets acquired under the loan agreement. The loan outstanding as at balance sheet date is repayable in 47 equal monthly installments commencing from April-2015 and ending in February-2019. Applicable rate of interest is 8.55%.	1,198.79	905.43	750.53	235.83
	2,313.97	1,666.88	2,480.86	995.83
<b>Unsecured</b>				
<b>iv. Long-term maturities of other loans</b> This unsecured loan outstanding as at balance sheet date from Cisco Systems Capital India Private Limited is payable in 32 monthly installments commencing from April-2015 and ending in November-2017. Applicable rate of interest is 8.55%.	2.49	2.59	5.08	2.59
	2.49	2.59	5.08	2.59
v. For the current maturities of long term borrowings, see items (a) to (e) in Note 10 Other current liabilities				

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>6.</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	a. Security deposits received	3.53	3.47
	b. Advances from customers	0.85	1.25
	c. Others	0.37	0.37
		<b>4.75</b>	<b>5.09</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	-	-
<b>7.</b>	<b>LONG-TERM PROVISIONS</b>		
	a. Provision for employee benefits		
	i. Provision for compensated absences	30.29	26.90
	ii. Provision for gratuity [See note 34 (B)(i)]	69.04	54.65
		<b>99.33</b>	<b>81.55</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	0.08	-
<b>8.</b>	<b>SHORT-TERM BORROWINGS</b>		
	a. Loans repayable on demand from banks		
	from banks		
	Secured*	492.94	486.56
	b. Other Loans		
	Unsecured	253.38	222.16
		<b>746.32</b>	<b>708.72</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	-	-
	*secured by first pari passu charge on current assets of the Company both existing and future and second pari passu charge on all fixed assets of the Company both existing and future. Applicable rate of interest is 12.30% to 13.00%.		
<b>9.</b>	<b>TRADE PAYABLES</b>	<b>2,765.70</b>	<b>3,114.74</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>462.37</b>	<b>1,452.68</b>
<b>10.</b>	<b>OTHER CURRENT LIABILITIES</b>		
	a. Current maturities of secured term loans (See footnote i below)	1,666.88	995.83
	b. Buyers credit on imports (See footnote ii below)	3,649.50	3,225.17
	c. Current maturities of finance lease obligations (See footnote i below and Note 32)	529.54	847.06
	d. Current maturities of other secured loans (See footnote i below)	4.36	3.38
	e. Current maturities of other unsecured loans (See footnote i below)	2.59	2.59
	f. Balance consideration payable on investments	7.23	23.70
	g. Interest accrued and due on borrowings	42.07	22.25
	h. Interest accrued but not due on borrowings	42.83	59.52
	i. Advance billings	208.00	200.90
	j. Application money received for allotment of securities in excess of authorised share capital	-	30.14
	k. Other payables		
	i. Statutory remittances	612.01	380.82
	ii. Payables on purchase of fixed assets	406.11	871.62
	iii. Security deposits received	14.50	19.84
	iv. Book overdraft	450.79	498.99
	v. Advances from customers	82.00	77.61
	vi. Others	3.73	0.31
		<b>7,722.14</b>	<b>7,259.73</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>24.89</b>	<b>128.37</b>

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
	<b>Footnotes</b>		
	i. See note 5 (Long-term borrowings) for details of security and guarantee		
	ii. Secured by first pari passu charge on fixed assets of the Company (existing and proposed) & second pari passu charge on all current assets of the Company.	3,649.50	3,225.17
<b>11.</b>	<b>SHORT-TERM PROVISIONS</b>		
<b>a.</b>	<b>Provision for employee benefits</b>		
	i. Provision for compensated absences	2.94	8.73
	ii. Provision for gratuity [See note 34 (B)(i)]	4.69	3.33
		7.63	12.06
<b>b.</b>	<b>Provision - others</b>		
	i. Wealth tax [net of advance tax of Rs. 0.58 million (Previous year Rs. 0.43 million)]	0.11	0.13
	ii. Provision for tax [net of advance tax of Rs. 345.20 million (Previous year Rs. Nil)]	56.89	-
	iii. Others	9.08	-
		<b>66.08</b>	<b>0.13</b>
		<b>73.71</b>	<b>12.19</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	12.23	8.82

**12. FIXED ASSETS (AT COST)\***

Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK		
	Balance as at 1 April, 2014	Additions	Sales/ Adjustments	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 1 April, 2014	Depreciation/ amortisation expense for the year	Sales/ Adjustments	Other Adjustments/ Transition Adjustments recorded against Surplus balance in Statement of Profit and Loss	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 31 <sup>st</sup> March, 2014	
<b>A. Tangible assets</b>											
a. Buildings	29.22 (34.12)	-	19.41 (4.90)	9.81 (29.22)	0.58 (0.72)	0.11 (0.12)	- (0.26)	- (-)	0.69 (0.58)	9.12 (28.64)	28.64 (33.40)
b. Leasehold improvements	103.47 (102.84)	9.47 (5.06)	3.77 (4.43)	109.17 (103.47)	95.72 (94.13)	5.65 (6.01)	3.52 (4.42)	- (-)	97.85 (95.72)	11.32 (7.75)	7.75 (8.71)
c. Plant and machinery											
i. Headend and distribution equipment											
- owned	2,841.14 (2,558.27)	558.56 (363.07)	17.15 (80.20)	3,382.55 (2,841.14)	1,101.09 (834.28)	315.64 (293.72)	6.12 (26.91)	0.47 (-)	1,411.08 (1,101.09)	1,971.47 (1,740.05)	1,740.05 (1,723.99)
- taken under finance lease (See note 32)	59.73 (51.37)	127.39 (8.68)	- (0.32)	187.12 (59.73)	9.74 (2.06)	13.78 (7.70)	- (0.02)	- (-)	23.52 (9.74)	163.60 (49.99)	49.99 (49.31)
ii. Set top boxes											
- owned	7,922.56 (4,272.12)	1,476.04 (4,346.42)	104.93 (695.98)	9,293.67 (7,922.56)	1,218.53 (627.15)	1,091.50 (697.40)	11.76 (106.02)	- (-)	2,298.27 (1,218.53)	6,995.40 (6,704.03)	6,704.03 (3,644.97)
- taken under finance lease (See note 32)	2,402.62 (1,788.86)	139.17 (981.00)	- (367.24)	2,541.79 (2,402.62)	373.09 (30.91)	305.56 (359.88)	- (17.70)	- (-)	678.65 (373.09)	1,863.14 (2,029.53)	2,029.53 (1,757.95)
iii. Modems and routers											
- owned	- (-)	16.72 (-)	- (-)	16.72 (-)	- (-)	0.83 (-)	- (-)	- (-)	0.83 (-)	15.89 (-)	- (-)
- taken under finance lease (See note 32)	- (-)	11.94 (-)	- (-)	11.94 (-)	- (-)	0.94 (-)	- (-)	- (-)	0.94 (-)	11.00 (-)	- (-)
iv. Computers	86.61 (69.75)	20.02 (19.78)	2.96 (2.92)	103.67 (86.61)	47.54 (36.99)	19.89 (12.83)	1.71 (2.28)	4.11 (-)	69.83 (47.54)	33.84 (39.07)	39.07 (32.76)
v. Office & other equipment	71.57 (63.48)	8.22 (8.26)	2.07 (0.17)	77.72 (71.57)	42.99 (34.24)	23.32 (8.86)	1.64 (0.11)	13.11 (-)	77.78 (42.99)	(0.06) (28.58)	28.58 (29.24)

Particulars	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	Balance as at 1 April, 2014	Additions	Sales/ Adjustments	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 1 April, 2014	Depreciation/ amortisation expense for the year	Sales/ Adjustments	Other Adjustments/ Transition Adjustments recorded against Surplus balance in Statement of Profit and Loss	Balance as at 31 <sup>st</sup> March, 2015	Balance as at 31 <sup>st</sup> March, 2014
d. Furniture and fixtures	52.86 (41.57)	4.33 (13.38)	0.88 (2.09)	56.31 (52.86)	28.98 (22.98)	7.47 (8.01)	0.71 (2.01)	0.09 (-)	35.83 (28.98)	20.48 (23.88)
e. Vehicles	49.15 (42.92)	9.24 (8.28)	2.21 (2.05)	56.18 (49.15)	23.55 (18.44)	7.69 (7.01)	1.76 (1.90)	0.02 (-)	29.50 (23.55)	26.68 (25.60)
<b>Total (A)</b>	13,618.93 (9,025.30)	2,381.10 (5,753.93)	153.38 (1,160.30)	15,846.65 (13,618.93)	2,941.81 (1,701.90)	1,792.38 (1,401.54)	27.22 (161.63)	17.80 (-)	4,724.77 (2,941.81)	11,121.88 (7,323.40)
<b>B. Intangible assets (Others)</b>										
a. Goodwill	54.94 (56.16)	0.95 (-)	- (1.22)	55.89 (54.94)	26.88 (24.32)	2.37 (3.65)	- (1.09)	- (-)	29.25 (26.88)	26.64 (31.84)
b. Distribution network rights	607.70 (596.69)	67.41 (11.99)	- (0.98)	675.11 (607.70)	521.92 (458.89)	59.54 (63.28)	- (0.25)	- (-)	581.46 (521.92)	93.65 (85.78)
c. Software	31.55 (28.84)	12.60 (2.71)	- (-)	44.15 (31.55)	22.08 (16.91)	5.01 (5.17)	- (-)	- (-)	27.09 (22.08)	17.06 (9.47)
d. Licence fee for internet service	2.01 (2.01)	- (-)	- (-)	2.01 (2.01)	1.19 (1.10)	0.09 (0.09)	- (-)	- (-)	1.28 (1.19)	0.73 (0.91)
e. Non Compete Fees	2.00 (2.00)	0.50 (-)	- (-)	2.50 (2.00)	1.87 (1.70)	0.09 (0.17)	- (-)	- (-)	1.96 (1.87)	0.54 (0.30)
<b>Total (B)</b>	698.20 (685.70)	81.46 (14.70)	- (2.20)	779.66 (698.20)	573.94 (502.92)	67.10 (72.36)	- (1.34)	- (-)	641.04 (573.94)	138.62 (124.26)
<b>Grand Total (A+B)</b>	14,317.13 (9,711.00)	2,462.56 (5,768.63)	153.38 (1,162.50)	16,626.31 (14,317.13)	3,515.75 (2,204.82)	1,859.48 (1,473.90)	27.22 (162.97)	17.80 (-)	5,365.81 (3,515.75)	11,260.50 (10,801.38)
<b>Previous year (C+D)</b>	13.82 (13.15)	7.45 (1.45)	9.32 (0.78)	11.95 (13.82)	10.27 (6.50)	1.46 (4.48)	7.31 (0.71)	- (-)	4.42 (10.27)	7.53 (3.55)

\* Figures in bracket relates to previous year

\*\* As per Schedule II of Companies Act, 2013, useful life of certain assets has been revised resulting in Rs. 13.86 million addition in depreciation block of those assets whose useful life has been over. The same has been adjusted against retained earnings

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>13.</b>	<b>LONG-TERM LOANS AND ADVANCES (UNSECURED)</b>		
	<b>i. Considered good</b>		
	a. Capital advances	217.37	140.95
	b. Advance for investments	409.48	424.10
	c. Security deposits	99.08	87.37
	d. Loans and advances to employees	0.03	0.01
	e. Prepaid expenses	28.83	41.23
	f. Advance tax [including tax deducted at source Rs. 1,746.88 million (Previous year Rs. 1,183.20 million) (net of provision Rs. 890.98 million (Previous year Rs. 1,103.39 million)]	1,737.03	1,293.73
	g. MAT credit entitlement	23.65	31.90
	h. Other loans and advances	12.75	8.53
	i. Deposits against cases with		
	i. Sales tax authorities	57.54	37.85
	ii. Entertainment tax authorities	105.52	15.04
	iii. Entry tax authorities	4.91	5.72
	<b>ii. Considered doubtful</b>		
	a. Advance for investments	55.05	54.25
		2,751.24	2,140.68
	Less: Provision for doubtful advances	55.05	54.25
		2,696.19	2,086.43
	<b>Share of Jointly controlled entities (See Note 40)</b>	592.29	569.39
<b>14.</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	a. Deposits with banks with more than 12 months maturity*	183.52	232.23
		183.52	232.23
	<b>Share of Jointly controlled entities (See Note 40)</b>	-	-
	* Under lien as margin money with bank for term loans Rs. Nil (Previous year Rs. 119.95 million)		
<b>15.</b>	<b>CURRENT INVESTMENTS (AT COST)</b>		
	a. Unquoted - Investments in units of mutual funds (at lower of cost or fair value) (other than trade)**		
	1. Nil (Previous year 1,461,629) units of Rs. 53.96 in Birla Sun Life Income Plus Growth Regular Plan	-	78.87
	2. 221,644 (Previous year 232,437) units of Rs. 1,691.90 in IDFC Cash Fund Growth*	375.00	358.00
	3. Nil (Previous year 1,727,920) units of Rs. 29.42 in IDFC Super Saver Income Fund Investment Plan Growth Regular Plan	-	50.84
	4. Nil (Previous year 160,956) units of Rs. 1,754.59 in Reliance Money Manager fund Growth Option	-	282.41
	5. Nil (Previous year 710,334) units of Rs. 307.98 in Birla Sunlife Cash Manager-Growth -Regular plan	-	218.77
	6. Nil (Previous year 5,000,000) units of Rs. 10 in Birla Sun Life Fixed Term Plan Series HB Regular Growth	-	50.00
	7. 20,000,000 (Previous year 20,000,000) units of Rs. 10 in Birla Sunlife Fixed Term Plan -Series IU (527 days)-Gr.Regular***	200.00	200.00
	8. Nil (Previous year 7,000,000) units of Rs. 10 in Birla Sunlife Interval Income Fund Annual Plan IX Gr Regular	-	70.00
	9. Nil (Previous year 10,469,794) units of Rs. 10 in Birla Sunlife Fixed term Plan -Series KF(368 days) Gr Regular	-	104.70
	10. 10,642,488 (Previous year 10,642,488) units of Rs. 10 in DWS FMP sr-49-Regular Plan -growth***	106.42	106.43

11. Nil (Previous year 10,000,000) units of Rs. 10 in DSP Black Rock FMP Series 126-12 M -Reg - Growth	-	100.00
12. Nil (Previous year 30,674) units of Rs. 1,735.91 in DSP Black Rock Money Manager Fund Regular Plan Growth	-	53.25
13. Nil (Previous year 10,000,000) units of Rs. 10 in HDFC FMP 370D Feb 2014(1) sr-29 reg growth	-	100.00
14. Nil (Previous year 10,000,000) units of Rs. 10 in DWS Fixed Maturity Plan Series -39 -Regular Plan -Growth	-	100.00
15. Nil (Previous year 3,943,926) units of Rs. 20.76 in L&T Ultra Short Term Growth	-	81.89
16. 5,000,000 (Previous year 5,000,000) units of Rs. 10 in HDFC FMP 538D Nov 2013 (1) series 28-Regular -Growth***	50.00	50.00
17. Nil (Previous year 2,918,661) units of Rs. 16.83 in ICICI Income Opportunities Fund Regular Plan Growth	-	49.13
18. 20,000,000 (Previous year 20,000,000) units of Rs. 13.43 in L&T FMP Series 9-Plan E Growth***	200.00	200.00
19. Nil (Previous year 20,000,000) units of Rs. 10 in ICICI Prudential FMP Series 70-367 days Plan N regular Plan Cumulative	-	200.00
20. Nil (Previous year 10,089,487) units of Rs. 10 in ICICI Prudential FMP Series 71 -366 D Plan C regular Plan Cumulative	-	100.89
21. 5,000,000 (Previous year 5,000,000) units of Rs. 10 in ICICI Prudential FMP Series 71 -525 days Plan D regular Plan Cumulative***	50.00	50.00
22. Nil (Previous year 8,121,351) units of Rs. 10 in IDFC Fixed Term Plan Series 24 regular Plan	-	81.21
23. Nil (Previous year 10,000,000) units of Rs. 10 in Reliance Fixed Horizon Fund XXV- sr 24 Growth Plan	-	100.00
24. Nil (Previous year 20,065,603) units of Rs. 10 in L&T FMP Series 9-Plan-G Growth	-	200.66
25. 5,000,000 (Previous year 5,000,000) units of Rs. 10 in L&T FMP Series 10 Plan H***	50.00	50.00
26. Nil (Previous year 5,385,846) units of Rs. 12.28 in L&T Triple Ace Bond Fund Bonus Original	-	66.11
27. Nil (Previous year 5,000,000) units of Rs. 10 in Reliance Fixed Horizon Fund XXIV Sr 4 Growth Plan	-	50.00
28. Nil (Previous year 6,674,152) units of Rs. 23.55 in Reliance Short Term Fund- Growth Plan- Growth Option	-	157.17
29. 20,000,000 (Previous year 20,000,000) units of Rs. 10 in SBI Debt Fund Series -18 Month 13 -Regular -Growth***	200.00	200.00
30. Nil (Previous year 10,435,651) units of Rs. 10 in SBI Debt Fund Series -366 days 47 Regular Plan -Growth	-	104.36
31. ICICI Prudential Liquid - Growth	104.91	90.00
32. Birla Sun Life Cash Plus - Growth	94.48	90.00
33. Reliance Liquid Fund Treasury Plan of Rs 100 fully paid up	21.43	-
Aggregate of unquoted - current investment in units of mutual funds (A)	<b>1,452.24</b>	<b>3,794.69</b>
b. Other investments (B)	0.06	-
(A+B)	<b>1,452.30</b>	<b>3,794.69</b>
<b>Share of Jointly controlled entities (See Note 40)</b>	<b>220.82</b>	<b>180.00</b>

\* 221,644 units (Previous year 232,437 units) are under lien with IDFC for term loan taken

\*\* Having total NAV of Rs. 1,359.35 million (Previous year Rs. 3,876.86 million )

\*\*\* 85,642,488 units are under lock in period having total value of Rs. 856.42 million

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>16.</b>	<b>TRADE RECEIVABLES (UNSECURED)</b>		
	a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	i. Considered good	1,192.49	1,273.33
	ii. Considered doubtful	565.96	490.75
		1,758.45	1,764.08
	Less: Provision for doubtful trade receivables	565.96	490.75
		1,192.49	1,273.33
	b. Other trade receivables		
	i. Considered good	2,787.57	2,645.89
	ii. Considered doubtful	81.45	49.49
		2,869.02	2,695.38
	Less: Provision for doubtful trade receivables	81.45	49.49
		2,787.57	2,645.89
		<b>3,980.06</b>	<b>3,919.22</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>16.43</b>	<b>352.60</b>
<b>17.</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	<b>A. Cash and cash equivalents (as per AS-3 Cash Flow Statement)</b>		
	a. Cash on hand	114.42	110.08
	b. Cheques on hand	4.90	559.75
	c. Balance with scheduled banks		
	i. in current accounts	1,341.37	1,666.12
	ii. in deposit accounts		
	- original maturity of 3 months or less	43.23	126.37
		<b>(A)</b>	<b>2,462.32</b>
	<b>B. Other bank balances</b>		
	i. in deposit accounts		
	- original maturity more than 3 months**	6,701.92	6,159.93
	- original maturity of 3 months or less**	-	7.50
		<b>(B)</b>	<b>6,167.43</b>
		<b>(A+B)</b>	<b>8,629.75</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>67.91</b>	<b>620.59</b>
	<b>Footnotes</b>		
	* a. Under lien as security with:		
	- Tax authorities for statutory registrations	-	0.27
	- Financial Institutions as Debt Service Reserve Account	-	30.96
	- Financial Institution to secure term loan to subsidiaries	80.00	50.00
	b. Include deposits with remaining maturity of more than 12 months from the balance sheet date	72.52	177.00
	c. Under lien as margin money with banks against letters of credit/ bank guarantees/ term loans.	2,170.22	1,007.73
	** Under lien as margin money with banks against letters of credit/ bank guarantees/ term loans.	-	7.50



	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
<b>18.</b>	<b>SHORT-TERM LOANS AND ADVANCES (UNSECURED)</b>		
	<b>i. Considered good</b>		
	a. Security deposits	13.19	21.78
	b. Loans to employees	2.92	7.21
	c. Prepaid expenses	88.74	72.26
	d. Balances with government authorities		
	i. CENVAT credit receivable	193.21	346.07
	ii. VAT credit receivable	25.00	40.82
	iii. Service Tax credit receivable	190.18	310.33
	iv. Others	5.80	13.48
		414.19	710.70
	e. Other loans and advances	137.62	222.78
	<b>ii. Considered doubtful</b>		
	a. Other loans and advances	2.50	2.50
	b. Balances with government authorities		
	i. Service Tax credit receivable	34.00	35.67
		36.50	38.17
	<b>Less: Provision for doubtful loans and advances</b>	36.50	38.17
		<b>656.66</b>	<b>1,034.73</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>16.39</b>	<b>44.50</b>
<b>19.</b>	<b>OTHER CURRENT ASSETS (Unsecured, Considered good)</b>		
	a. Unbilled revenue	318.54	630.15
	b. Interest accrued but not due on fixed deposits	302.61	286.84
	c. Interest accrued and due on others	0.38	12.01
	d. Others		
	i. Receivable on sale of fixed assets	21.22	0.77
	ii. Others	30.62	47.33
		<b>673.37</b>	<b>977.10</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>8.52</b>	<b>210.43</b>
<b>20.</b>	<b>REVENUE FROM OPERATIONS</b>		
	a. Operating revenue	11,107.06	10,978.03
	b. Other operating revenue		
	i. Sale of equipment	4.25	2.18
	ii. Commission income	15.66	-
		19.91	2.18
		<b>11,126.97</b>	<b>10,980.21</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>192.63</b>	<b>525.91</b>
<b>21.</b>	<b>OTHER INCOME</b>		
	a. Interest income		
	i. on fixed deposits	632.99	374.88
	ii. on loans to others	20.03	0.83
	iii. on income tax refund	2.76	16.18

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
	b. Net gain on sale of current investments (other than trade and unquoted)	205.12	168.48
	c. Dividend income from current investments	17.29	22.02
	d. Other non-operating income		
	i. Profit on sale of fixed assets	10.96	0.85
	ii. Liabilities/ excess provisions written back	98.12	113.68
	iii. Miscellaneous income	60.28	72.06
		<b>1,047.55</b>	<b>768.98</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>49.09</b>	<b>69.39</b>
	<b>22. EMPLOYEE BENEFIT EXPENSE</b>		
	a. Salaries and allowances	1,003.35	966.52
	b. Contribution to provident and other funds (See Note 34)	40.30	37.81
	c. Gratuity expense	18.08	15.70
	d. Staff welfare expenses	45.31	40.09
		<b>1,107.04</b>	<b>1,060.12</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>62.40</b>	<b>174.77</b>
	<b>23. FINANCE COSTS</b>		
	a. Interest on loans from banks	763.81	827.95
	b. Other borrowing costs	59.23	61.76
		<b>823.04</b>	<b>889.71</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>0.62</b>	<b>-</b>
	<b>24. OTHER EXPENSES</b>		
	a. Content cost	4,645.24	3,717.31
	b. Placement fees	266.01	179.05
	c. Cost of traded items	0.97	20.75
	d. Distributor commission/ incentive	91.46	41.48
	e. Rent and hire charges (See note 31)	231.31	195.61
	f. Repairs and maintenance		
	i. Plant and Machinery	388.33	333.28
	ii. Others	137.22	125.21
	g. Power and fuel	168.83	139.35
	h. Director's sitting fees	1.23	0.44
	i. Consultancy, professional and legal charges*	800.33	400.60
	j. Expenditure on corporate social responsibility	6.01	-
	k. Brokerage/ commission	54.86	53.53
	l. Subscription share/ charges	639.11	348.81
	m. Contract service charges	74.76	26.95
	n. Printing and stationery	13.95	26.11
	o. Travelling and conveyance	189.06	162.14
	p. Advertisement, publicity and business promotion	124.94	119.08
	q. Communication expenses	100.24	83.85
	r. Leaseline expenses	367.62	271.61
	s. Security charges	25.15	21.35
	t. Freight and labour charges	16.78	11.70
	u. Insurance	14.92	11.27
	v. Rates and taxes	249.47	103.14

	Particulars	As at 31.03.2015 (Rs. in million)	As at 31.03.2014 (Rs. in million)
w.	Provision for doubtful trade receivables and advances	243.02	314.34
x.	Bad trade receivables and advances written off	239.00	254.14
y.	Impairment of Goodwill on Consolidation	11.95	-
z.	Fixed assets/ capital work in progress written off	4.00	0.09
	a. Loss on sale/ disposal of fixed assets	1.54	4.55
	b. Loss on sale of investment	-	110.07
	c. Net loss on foreign currency transactions and translation	18.50	16.58
	d. Miscellaneous expenses	139.43	102.69
		<b>9,265.24</b>	<b>7,195.08</b>
	<b>Share of Jointly controlled entities (See Note 40)</b>	<b>186.91</b>	<b>318.47</b>
	* Consultancy, professional and legal charges includes Auditors' remuneration as under :		
	a. To statutory auditors		
	For audit	5.70	5.50
	For other services	3.78	4.76
	b. To cost auditors for cost audit	0.05	0.05
		<b>9.53</b>	<b>10.31</b>

## 25. SHARE APPLICATION MONEY PENDING ALLOTMENT

As at 31<sup>st</sup> March 2015, the Group has received an amount of Rs. Nil (Previous year Rs. 4.50 million) towards share application money for issue of Nil equity shares (Previous year 196,709 equity shares) at a premium of Rs. Nil (Previous year Rs. 2.53 million). The share application money was received in the previous year pursuant to an invitation to offer shares and in terms of such invitation, the companies have completed the allotment formalities during the year.

## 26. PREFERENCE SHARES ISSUED BY A SUBSIDIARY OUTSIDE THE GROUP

	(Rs. in million)	
Particulars	As at 31.03.2015	As at 31.03.2014
2,500,000 .001% non-cumulative 12 years redeemable preference shares (issued on March 30, 2008) of Rs. 10 each fully paid up issued by Den Entertainment Network Private Limited	25.00	25.00

## 27. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

### a. Capital commitments

Estimated amount of unexecuted capital contracts not provided for (net of advances) Rs. 459.00 million [Previous year Rs. 1,907.19 million].

### b. Other commitments

The Group has given advances of Rs. 464.53 million (Previous year Rs. 478.35 million) to acquire majority control in companies, the agreements for which have not been concluded prior to the year-end. These have been disclosed under long-term loans and advances. Balance commitments on account of such agreements concluded/to be concluded after the year-end amount to Rs. 29.82 million (Previous year Rs. 59.57 million).

c. **Contingent liabilities\*\*****(Rs. in million)**

	Particulars	As at 31.03.2015	As at 31.03.2014
1)	Claims against the Group not acknowledged as debts*		
	Income Tax disputes where the Group is in appeal	1.53	3.48
	Service tax disputes	1.12	91.67
	Entertainment tax disputes	1,075.09	227.24
	VAT disputes	272.13	76.05
	Entry tax disputes	25.30	25.30
		<b>1,375.17</b>	<b>423.74</b>
2)	Bank guarantee issued by the Group	34.56	22.50
3)	Corporate guarantee issued by the Group	250.00	250.00
4)	Outstanding letter of credits	216.72	49.30

\* No provision is considered necessary since the Group expects favourable decisions. The advance paid against the above is Rs. 167.97 million (previous year Rs. 58.61 million)

\*\* For share of jointly controlled entities, there are no contingent liabilities as at 31<sup>st</sup> March, 2015 other than disclosed in Note 40.

**28. SEGMENT INFORMATION**

The Group has identified business segments as its primary segment. Business segments consists of primarily Cable segment, Broadband segment and Soccer segment. Cable segment consists of distribution and promotion of television channels through cable networks. Broadband segment consists of providing internet services. The Group, through one of its wholly owned subsidiary, has participated in Indian Super League (ISL) of Soccer and has been awarded the rights for Delhi. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocated to segments have been disclosed as unallocated expenses. Assets and liabilities that are directly attributable or allocated to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocated. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

Particulars	Cable	Broadband	Soccer	Total
Revenue from operations	<b>10,972.91</b> <i>10,945.03</i>	<b>80.65</b> <i>35.18</i>	<b>73.41</b> <i>-</i>	<b>11,126.97</b> <i>10,980.21</i>
Other non-operating income	<b>161.71</b> <i>186.50</i>	<b>0.34</b> <i>0.19</i>	<b>7.39</b> <i>-</i>	<b>169.44</b> <i>186.69</i>
<b>Segment revenue</b>	<b>11,134.62</b> <i>11,131.53</i>	<b>80.99</b> <i>35.37</i>	<b>80.80</b> <i>-</i>	<b>11,296.41</b> <i>11,166.90</i>
Segment result	<b>(4.30)</b> <i>1,455.80</i>	<b>(470.61)</b> <i>(18.17)</i>	<b>(460.49)</b> <i>-</i>	<b>(935.40)</b> <i>1,437.63</i>
Unallocated expenses (net)				<b>(222.38)</b> <i>(190.57)</i>
<b>Operating profit/(loss)</b>				<b>(713.02)</b> <i>1,628.20</i>
Interest expense				<b>823.04</b> <i>889.71</i>
Interest income				<b>(655.78)</b> <i>(391.89)</i>
<b>Profit/(loss) before taxes</b>				<b>(880.28)</b> <i>1,130.38</i>
Less: Tax expense				<b>(336.20)</b> <i>378.97</i>
<b>Profit/(loss) for the year</b>				<b>(1,216.48)</b> <i>751.41</i>
<b>Other information</b>				
Segment assets	<b>23,101.07</b> <i>23,601.88</i>	<b>706.17</b> <i>119.16</i>	<b>97.39</b> <i>-</i>	<b>23,904.63</b> <i>23,721.04</i>
Unallocated assets				<b>9,717.03</b> <i>11,896.16</i>

Particulars	Cable	Broadband	Soccer	Total
<b>Total assets</b>				<b>33,621.66</b>
				<i>35,617.20</i>
Segment liabilities	<b>11,224.43</b>	<b>1,241.64</b>	<b>364.75</b>	<b>12,830.82</b>
	<i>13,195.19</i>	<i>171.73</i>	-	<i>13,366.92</i>
Unallocated liabilities				<i>3,696.75</i>
				<i>3,695.26</i>
<b>Total liabilities</b>				<b>16,527.57</b>
				<i>17,062.18</i>
Capital expenditure (allocable)	<b>11,676.11</b>	<b>686.62</b>	<b>1.26</b>	<b>12,363.99</b>
	<i>11,624.54</i>	<i>116.49</i>	-	<i>11,741.03</i>
Depreciation and amortisation (allocable)	<b>1,828.86</b>	<b>30.45</b>	<b>0.17</b>	<b>1,859.48</b>
	<i>1,473.43</i>	<i>0.47</i>	-	<i>1,473.90</i>
Other significant non-cash expenses (allocable)	<b>487.06</b>	<b>0.50</b>	-	<b>487.56</b>
	<i>683.19</i>	-	-	<i>683.19</i>
Other significant non-cash expenses (unallocable)				<b>823.04</b>
				<i>889.71</i>

Note: Amounts in italics represent previous year's figures.

The disclosures as required under Accounting standard 17 on secondary segment has not been provided as the Group deals in one geographical area.

## 29. RELATED PARTY DISCLOSURES

### List of related parties

#### a. Jointly controlled entities

- Star Den Media Services Private Limited
- Macro Commerce Private Limited (w.e.f. 15-Jan-15)
- Media Pro Enterprise India Private Limited\*

\* Joint Venture of Star Den Media Services Private Limited who has 50% controlling interest in the Company.

#### b. Entities under significant influence

- Access Financial Services Limited

#### c. Key managerial personnel

- Mr. Sameer Manchanda (Chairman and Managing Director)

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

	Particulars	Key management personnel	Entities under significant influence	Jointly controlled entities	Grand total
<b>a.</b>	<b>Transactions during the year</b>				
i.	Operating revenue				
	Star Den Media Services Private Limited	-	-	-	-
		(-)	(-)	(1.27)	(1.27)
	Macro Commerce Private Limited	-	-	3.28	3.28
		(-)	(-)	(-)	(-)
	Total	-	-	<b>3.28</b>	<b>3.28</b>
		(-)	(-)	(1.27)	(1.27)
ii.	Other income				
a.	Interest income on loans				
	Macro Commerce Private Limited	-	-	<b>0.38</b>	<b>0.38</b>
		(-)	(-)	(-)	(-)
	Total	-	-	<b>0.38</b>	<b>0.38</b>
		(-)	(-)	(-)	(-)
b.	Liabilities/ excess provisions written back				
	Media Pro Enterprise India Private Limited	-	-	<b>14.96</b>	<b>14.96</b>

	Particulars	Key management personnel	Entities under significant influence	Jointly controlled entities	Grand total
		(-)	(-)	(-)	(-)
	Star Den Media Services Private Limited	-	-	0.55	0.55
		(-)	(-)	(0.30)	(0.30)
	Total	-	-	15.51	15.51
		(-)	(-)	(0.30)	(0.30)
iii.	Purchase of services				
	Media Pro Enterprise India Private Limited	-	-	81.14	81.14
		(-)	(-)	(1,107.67)	(1,107.67)
	Others	-	9.00	-	9.00
		(-)	(10.80)	(-)	(10.80)
	Total	-	9.00	81.14	90.14
		(-)	(10.80)	(1,107.67)	(1,118.47)
iv.	Bad trade receivables written off				
	Media Pro Enterprise India Private Limited	-	-	2.54	2.54
		(-)	(-)	(-)	(-)
	Total	-	-	2.54	2.54
		(-)	(-)	(-)	(-)
v.	Managerial remuneration				
	Sameer Manchanda	26.04	-	-	26.04
		(24.93)	(-)	(-)	(24.93)
	Total	26.04	-	-	26.04
		(24.93)	(-)	(-)	(24.93)
vi.	Reimbursement of expenses (received)				
	Macro Commerce Private Limited	-	-	0.01	0.01
		(-)	(-)	(-)	(-)
	Others	-	0.01	-	0.01
		(-)	(-)	(-)	(-)
	Total	-	0.01	0.01	0.02
		(-)	(-)	(-)	(-)
vii.	Loans given during the year				
	Macro Commerce Private Limited	-	-	8.80	8.80
		(-)	(-)	(-)	(-)
	Total	-	-	8.80	8.80
		(-)	(-)	(-)	(-)
viii.	Loans received back during the year				
	Macro Commerce Private Limited	-	-	8.80	8.80
		(-)	(-)	(-)	(-)
	Total	-	-	8.80	8.80
		(-)	(-)	(-)	(-)
b.	Outstanding balances at year end				
i.	Trade payables				
	Media Pro Enterprise India Private Limited	-	-	8.07	8.07
		(-)	(-)	(299.33)	(299.33)
	Others	-	-	-	-
		(-)	(-)	(2.69)	(2.69)
	Total	-	-	8.07	8.07
		(-)	(-)	(302.02)	(302.02)
ii.	Security deposits paid				
	Media Pro Enterprise India Private Limited	-	-	2.63	2.63
		(-)	(-)	(2.63)	(2.63)
	Others	-	-	-	-

	Particulars	Key management personnel	Entities under significant influence	Jointly controlled entities	Grand total
		(-)	(-)	(0.03)	(0.03)
	Total	-	-	<b>2.63</b>	<b>2.63</b>
		(-)	(-)	(2.66)	(2.66)
iii.	Trade Receivables				
	Star Den Media Services Private Limited	-	-	0.49	0.49
		(-)	(-)	(2.88)	(2.88)
	Macro Commerce Private Limited	-	-	0.21	0.21
		(-)	(-)	(-)	(-)
	Media Pro Enterprise India Private Limited	-	-	0.04	0.04
		(-)	(-)	(0.47)	(0.47)
	Total	-	-	<b>0.74</b>	<b>0.74</b>
		(-)	(-)	(3.35)	(3.35)
iv.	Advance recoverable				
	Media Pro Enterprise India Private Limited	-	-	1.92	1.92
		(-)	(-)	(2.54)	(2.54)
	Macro Commerce Private Limited	-	-	0.01	0.01
		(-)	(-)	(-)	(-)
	Star Den Media Services Private Limited	-	-	-	-
		(-)	(-)	(0.42)	(0.42)
	Total	-	-	<b>1.93</b>	<b>1.93</b>
		(-)	(-)	(2.96)	(2.96)
v.	Interest accrued and due on others				
	Macro Commerce Private Limited	-	-	0.38	0.38
		(-)	(-)	(-)	(-)
	Total	-	-	<b>0.38</b>	<b>0.38</b>
		(-)	(-)	(-)	(-)
vi.	Guarantee given by the Company for a term loan taken from bank by a subsidiary Company outstanding as at the end of the year amounting to Rs. 250.00 million [Previous year Rs. 250.00 million].				
vii.	Term loan of Rs. 184.88 million (Previous year Rs. 369.88 million) taken from a bank is guaranteed by Mr. Sameer Manchanda, Chairman and Managing Director of the Company.				
	Figures in bracket relates to previous year				

### 30. DEFERRED TAX

- Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing tax laws.
- Break up of deferred tax liabilities and reconciliation of current year's deferred tax charge is as follows:

(Rs. in million)

Particulars	Opening balance 01.04.2014	Credited/ (charged) to Statement of Profit and Loss	Closing balance 31.03.2015
<b>Deferred tax liability</b>			
Depreciation on difference between book balance and tax balance of fixed assets	(55.28)	(16.38)	(71.66)
Others	(0.76)	(2.35)	(3.11)
<b>Total</b>	<b>(56.04)</b>	<b>(18.73)</b>	<b>(74.77)</b>
<b>Deferred tax assets</b>			
Provision for compensated absences and gratuity	0.48	1.19	1.67
Provision for doubtful debts/ advances/ impairment	4.46	12.20	16.66
Others	0.04	0.02	0.06
<b>Total</b>	<b>4.98</b>	<b>13.41</b>	<b>18.39</b>

(Rs. in million)

Particulars	Opening balance 01.04.2014	Credited/ (charged) to Statement of Profit and Loss	Closing balance 31.03.2015
Deferred tax liability (Net)	(51.06)	(5.32)	(56.38)
Share of Jointly controlled entities	-	-	-

c. Break up of deferred tax assets and reconciliation of current year's deferred tax charge is as follows:

(Rs. in million)

Particulars	Opening balance 01.04.2014	Credited/ (charged) to Statement of Profit and Loss	Closing balance 31.03.2015
<b>Deferred tax liability</b>			
Others	(5.58)	5.58	-
<b>Total</b>	<b>(5.58)</b>	<b>5.58</b>	<b>-</b>
<b>Deferred tax assets</b>			
Depreciation on difference between book balance and tax balance of fixed assets	(59.01)	7.53	(51.48)
Provision for compensated absences and gratuity	26.80	3.92	30.72
Provision for doubtful debts/ advances/ impairment	165.54	41.94	207.48
Business losses	207.39	(207.19)	0.20
Others	116.25	116.37	232.62
<b>Total</b>	<b>456.97</b>	<b>(37.43)</b>	<b>419.54</b>
<b>Deferred tax assets (Net)</b>	<b>451.39</b>	<b>(31.85)</b>	<b>419.54</b>
Share of Jointly controlled entities	-	-	-

### 31. OPERATING LEASE

The Group has taken office premises and accommodation for its employees under cancellable operating lease agreements. The lease rental expenses recognised in the consolidated Statement of Profit and Loss for the year is Rs. 231.31 million [Previous year Rs. 195.61 million].

### 32. FINANCE LEASE AS LESSEE

The Company has entered into finance lease arrangements for certain equipment which provide the Holding Company an option to purchase the assets at the end of the lease period.

Future minimum lease payments and reconciliation of gross investment in the lease and present value of minimum lease payments.

(Rs. in million)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Future minimum lease payments:</b>		
• Not later than one year	630.66	1,055.55
• Later than one year and not later than five Years	1,135.69	2,182.06
• Later than five years	-	-
	<b>1,766.35</b>	<b>3,237.61</b>
Less : Unmatured finance charges	182.46	417.10



Particulars	(Rs. in million)	
	As at 31.03.2015	As at 31.03.2014
	1,583.89	2,820.51
<b>Present value of minimum lease payments payable:</b>		
• Not later than one year	529.54	847.06
• Later than one year and not later than five Years	1,054.35	1,973.45
• Later than five years	-	-
	<b>1,583.89</b>	<b>2,820.51</b>

### 33. ACQUISITIONS/INVESTMENTS

#### a. Acquisition of companies

During the year, the Group has acquired majority control in certain companies through share subscription and share purchase agreements for a total consideration of Rs. 974.91 million [Previous year Rs. 626.43 million]. The acquisition has resulted in increase in goodwill on consolidation amounting to Rs. 251.51 million as compared to decrease of Rs. 202.81 million in previous year. The details are as follows:

Particulars	(Rs. in million)	
	Year ended 31.03.2015	Year ended 31.03.2014
<b>Opening Balance of Goodwill</b>	2,750.63	2,953.44
Amounts paid	974.91	626.43
Direct cost relating to acquisition	0.64	0.09
Total purchase consideration paid	<b>975.55</b>	<b>626.52</b>
Value of net asset acquired	(724.04)	(829.33)
<b>Goodwill generated</b>	<b>251.51</b>	<b>(202.81)</b>
Provision for impairment on goodwill	11.95	-
<b>Closing balance of Goodwill</b>	<b>2,990.19</b>	<b>2,750.63</b>

Balance consideration payable on account of investments at the year-end amounting to Rs. 7.23 million [Previous year Rs. 23.70 million] has been disclosed under Other current liabilities.

#### b. Business purchase acquisition

The effect of subsidiaries (acquired during the year) on the financial position and results as included in the consolidated financial statements is given below:

Particulars	(Rs. in million)	
	Year ended 31.03.2015	Year ended 31.03.2014
<b>Assets as at the date of acquisition</b>		
Non-current assets	7.07	14.01
Revenue for the period	4.48	23.06
Expenses for the period	5.99	27.14
Profit/ (Loss) before tax for the period	(1.51)	(4.08)
Profit/ (Loss) after tax for the period	(1.91)	(3.38)

### 34. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD 15 (REVISED 2005) ON 'EMPLOYEE BENEFITS'

#### A. Defined contribution plans

The Group makes contribution toward the following defined contribution plans for qualifying employees:

- a. Employees' Provident Fund (EPF)
- b. Employees' State Insurance (ESI)

During the year the Group has recognised the following amounts in the Consolidated Statement of Profit and Loss:

Particulars	(Rs. in million)	
	Year ended 31.03.2015	Year ended 31.03.2014
a. Employer's contribution to EPF	35.86	32.12
b. Employer's contribution to ESI	4.44	5.69

The contribution payable by the Group is at the rates specified in the rules to the plans.

## B. Defined benefit plan

### Gratuity plan

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 1,000,000. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

The following tables set out the status of the gratuity plan and amounts recognised in the Group consolidated financial statements as at 31<sup>st</sup> March, 2015.

#### i. Change in benefit obligations:

Particulars	(Rs. in million)	
	Year ended 31.03.2015	Year ended 31.03.2014
Present value of obligations at the beginning of the year	57.98	53.87
Current service cost	15.98	13.97
Interest cost	4.79	5.15
Actuarial (gain)/loss on obligation	(2.26)	(3.58)
Benefits paid	(3.52)	(2.85)
Other adjustments	0.76	(8.58)
Present value of obligations at the year end	<b>73.73</b>	<b>57.98</b>

#### ii. Expenses recognised in the Consolidated Statement of Profit and Loss:

Particulars	(Rs. in million)	
	Year ended 31.03.2015	Year ended 31.03.2014
Current service cost	15.98	13.97
Interest cost	4.79	5.15
Actuarial (gain)/loss on obligation	(2.26)	(3.58)
Other adjustments	(0.43)	0.16
Net cost	<b>18.08</b>	<b>15.70</b>

#### iii. Principal actuarial assumptions:

##### (A) Economic assumptions

Particulars	See note below	Year ended 31.03.2015	Year ended 31.03.2014
a. Discount rate (per annum)	1	8.00-8.75%	8.00-8.75%
b. Estimated salary escalation rate (per annum)	2	5.00-10.00%	5.00-10.00%

##### (B) Demographic Assumptions

a. Retirement age (years)		58	58
b. Mortality Table		IALM (2006 08)	IALM (2006 08)
c. Withdrawal rates		In %	In %
Upto 30 years		3.00	3.00
From 31 years to 44 years		2.00	2.00
Above 44 years		1.00	1.00

**iv. Experience adjustment:**

(Rs. in million)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
On plan liabilities	0.91	(0.28)	0.74	1.57	1.26
On plan assets	-	4.03	(0.01)	0.01	0.06
Present value of benefit obligation	42.66	35.50	30.95	20.07	18.28

Notes:

1. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
2. The salary growth rate takes account of inflation, seniority, promotion and other relevant factors on a long term basis.

**35. AT THE YEAR END, UNHEDGED FOREIGN CURRENCY EXPOSURES ARE AS FOLLOWS**

(in million)

Particulars	As at 31.03.2015		As at 31.03.2014	
	In INR	In USD	In INR	In USD
Payables on purchase of fixed assets	303.14	5.12	309.32	5.16
Buyer's credit on imports	3,649.50	58.30	3,225.17	53.67

**36. EMPLOYEE STOCK OPTION PLAN 2010 (“ESOP 2010”)**

- a. The Company had established an Employee Stock Option Plan (ESOP 2010) in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, which have been approved by the Board of Directors and the shareholders. A Nomination and Remuneration / Compensation Committee comprising majority of independent, non-executive members of the Board of Directors administers the ESOPs. All option under the ESOPs are exercisable for equity shares. The Company had taken approval of the Shareholders to grant and allot up-to 5,219,599 equity options under the said scheme. During the year, the company has granted 1,680,000 equity options to eligible employees of the Company and directors of the subsidiary companies.
- b. There shall be a minimum period of one year between the grant of options and vesting of options. The vesting period may extend up to three years. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant. The Company has granted 4,756,195 options up to 31<sup>st</sup> March, 2015. During the year, 450,000 options were surrendered/forfeited.
- c. The movement in the scheme is set out as under:

Particulars	ESOP 2010		ESOP 2010	
	Year ended 31.03.15		Year ended 31.03.14	
	Option (Numbers)	Weighted Average Price (Rs.)	Option (Numbers)	Weighted Average Price (Rs.)
a. Outstanding at the beginning of the year	450,000	30.00	1,252,776	30.00
b. Granted during the year	1,680,000	160.00	-	-

Particulars	ESOP 2010		ESOP 2010	
	Year ended 31.03.15		Year ended 31.03.14	
	Option (Numbers)	Weighted Average Price (Rs.)	Option (Numbers)	Weighted Average Price (Rs.)
c. Exercised during the year	-	-	794,845	30.00
d. Vested during the year	-	-	-	-
e. Surrendered/forfeited during the year	450,000	30.00	7,931	30.00
f. Expired during the year	-	-	-	-
g. Outstanding at the end of the year	1,680,000	160.00	450,000	30.00
h. Exercisable at the end of the year	504,000	160.00	450,000	30.00
i. Number of equity shares of Rs. 10 each fully paid up during the year to be issued on exercise of option	504,000	160.00	450,000	30.00
j. Weighted average share price at the date of exercise	N.A.	N.A.	179.16	N.A.
k. Range of exercise price for options outstanding at the end of the year	N.A.	N.A.	N.A.	N.A.
l. Weighted average remaining contractual life (years)	-	N.A.	-	N.A.

d. Pro forma Accounting for Stock Option Grants

The Company applies the intrinsic value-based method of accounting for determining compensation cost for its stock-based compensation plan. Had the compensation cost been determined using the fair value approach the Company's net income and basic and diluted earnings per share as reported would have reduced to the pro forma amounts as indicated:

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Net Profit/ (Loss) as reported (Rs. in million) (a)	(1,108.07)	51.65
Add: Stock based employee compensation expense debited to Statement of Profit and Loss (i)	-	-
Less: Stock based employee compensation expense based on fair value (ii)	-	-
Difference between (i) and (ii)	-	-
Adjusted pro forma Profit/(Loss) (Rs. in million) (b)	(1,108.07)	51.65
Difference between (a) and (b)	-	-
Basic earnings per share as reported (in Rs.)	(6.22)	0.32
Pro forma basic earnings per share (in Rs.)	(6.22)	0.32
Diluted earnings per share as reported (in Rs.)	(6.22)	0.32
Pro forma diluted earnings per share (in Rs.)	(6.22)	0.32

e. The fair value of the options, calculated by an external valuer, was estimated on the date of grant using the Black-Scholes model with the following significant assumptions

Particulars	1,480,000 Options (Vesting Period -4 Years)				200,000 Options (Vesting Period -4 Years)			
	1st Year	2nd Year	3rd Year	4th Year	1st Year	2nd Year	3rd Year	4th Year
Risk free interest rates (in %)	7.93%	7.88%	7.85%	7.81%	8.05%	7.99%	7.94%	7.90%
Expected life (in years)	1.50	2.50	3.50	4.50	1.50	2.50	3.50	4.50
Volatility (in %)	48.00%	48.00%	48.00%	48.00%	48.09%	48.09%	48.09%	48.09%
Dividend yield (in %)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

The volatility of the options is based on the historical volatility of the share price since the Company's equity shares are publicly traded, which may be shorter than the term of the options.

f. Details of weighted average exercise price and fair value of the stock options granted at price below market price

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Total options granted (in numbers)	4,756,195	3,534,126
Weighted average exercise price (in Rs.)	75.91	30.00
Weighted average fair value (in Rs.)	32.90	62.74

**Employee Stock Option Plan 2014 (“ESOP 2014”)**

a. In the extraordinary general meeting held on 05 January, 2015 the Shareholders through Postal Ballot approved the issue of 8,909,990 options (5% of issued capital) under the Scheme titled “DEN ESOP Plan A-2014 (ESOP A) and DEN ESOP Plan B- 2014” (ESOP B) in accordance with the Securities and Exchange Board of India (Share Bared Employee Benefits) Regulations 2014.

The ESOP A and ESOP B allows the issue of options to employees of the Company. Each option comprises one underlying equity share.

As per the Scheme, the Nomination and Remuneration / Compensation Committee grants the options to the eligible employees. The exercise price of each option shall be such as may be decided by the Nomination and Remuneration / Compensation Committee. The options granted vest over a period of 4 years from the date of the grant in proportions as decided by the Nomination and Remuneration/ Compensation Committee. Options may be exercised within 1 year from the date of vesting.

b. The ESOP scheme titled “DEN ESOP Plan A -2014” (ESOP A) was approved by the shareholders through postal ballot on 05 January, 2015. 4,454,995 options are covered under the Scheme for 4,454,995 shares.

During the current year, the Nomination and Remuneration / Compensation Committee has not granted options under the said scheme.

c. The ESOP scheme titled “DEN ESOP Plan B-2014” was approved by the shareholders through postal ballot on 05 January,2015. 4,454,995 options are covered under the Scheme for 4,454,995 equity shares.

The Nomination and Remuneration / Compensation Committee of the Company, had granted 4,450,000 options under this Scheme to eligible employees. The shares covered by such options were 4,450,000 equity shares.

The vesting period of these options range over a period of 4 years. The options may be exercised within a period of 1 year from the date of vesting.

d. Employee stock options details as on the balance sheet date are as follows:

Particulars	During the year ended 31 <sup>st</sup> March, 2015	
	Options (Numbers)	Weighted average exercise price per option (Rs.)
Option outstanding at the beginning of the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Granted during the year:		
- ESOP A	Nil	Nil
- ESOP B	4,450,000	160.00
Vested during the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Exercised during the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Lapsed during the year:		
- ESOP A	Nil	Nil
- ESOP B	Nil	Nil
Options outstanding at the end of the year:		
- ESOP A	Nil	Nil

Particulars	During the year ended 31 <sup>st</sup> March, 2015	
	Options (Numbers)	Weighted average exercise price per option (Rs.)
- ESOP B	4,450,000	160.00
Options available for grant:		
- ESOP A	4,454,995	160.00
- ESOP B	4,995	160.00
The weighted average share price at the date of exercise for stock options exercised during the year	NA	NA
Range of exercise price for options outstanding at the end of the year	NA	NA
Weighted average remaining contractual life	NA	NA

- e. The impact on Earnings per Share if the 'fair value' of the options (on the date of the grant) were considered instead of the 'intrinsic value' is as under:

Particulars	Year ended 31 <sup>st</sup> March, 2015
Net Profit/ (Loss) as reported (Rs. in million) (a)	(1,108.07)
Add / (Less): Stock based employee compensation (intrinsic value)	-
Add / (Less): Stock based compensation expenses determined under fair value method for the grants issued (See note (f) below)	-
Net Profit / (Loss) (proforma)(Rs. in million) (b)	(1,108.07)
Difference between (a) and (b)	-
Basic earnings per share (as reported) (in Rs.)	(6.22)
Basic earnings per share (proforma) (in Rs.)	(6.22)
Diluted earnings per share (as reported) (in Rs.)	(6.22)
Diluted earnings per share (proforma) (in Rs.)	(6.22)

- f. The fair value of the options has been determined on the date of grant under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant Date: 16 January, 2015				
Assumptions	840,000 Options	700,000 Options	700,000 Options	560,000 Options
Risk Free Interest Rate	7.79%	7.78%	7.77%	7.76%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	47.65%	47.65%	47.65%	47.65%
Expected Dividend Yield	Nil	Nil	Nil	Nil
Grant Date: 2 February, 2015				
Assumptions	240,000 Options	200,000 Options	200,000 Options	160,000 Options
Risk Free Interest Rate	7.69%	7.69%	7.69%	7.70%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	47.39%	47.39%	47.39%	47.39%
Expected Dividend Yield	Nil	Nil	Nil	Nil
Grant Date: 10 February, 2015				
Assumptions	240,000 Options	200,000 Options	200,000 Options	160,000 Options
Risk Free Interest Rate	7.85%	7.83%	7.80%	7.78%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	47.70%	47.70%	47.70%	47.70%
Expected Dividend Yield	Nil	Nil	Nil	Nil

Grant Date: 13 February, 2015				
Assumptions	15,000 Options	12,500 Options	12,500 Options	10,000 Options
Risk Free Interest Rate	7.93%	7.88%	7.85%	7.81%
Expected Life	1.5	2.5	3.5	4.5
Expected Annual Volatility of Shares	48.00%	48.00%	48.00%	48.00%
Expected Dividend Yield	Nil	Nil	Nil	Nil

g. Details of weighted average exercise price and fair value of the stock options granted at price below market price

Particulars	Year ended 31 <sup>st</sup> March, 2015
Total options granted (in numbers)	4,450,000
Weighted average exercise price (in Rs.)	160.00
Weighted average fair value (in Rs.)	32.90

**37. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013**

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	"Amount (Rs./millions)"	As % of consolidated profit or loss	"Amount (Rs./millions)"
Parent				
Den Networks Limited	85.30%	14,580.73	77.97%	(1,122.97)
Subsidiaries				-
Den Entertainment Network Private Limited	-0.33%	(55.89)	-0.44%	6.30
Den Digital Entertainment Gujarat Private Limited	0.03%	5.67	-0.03%	0.38
Aster Entertainment Private Limited	-0.21%	(35.22)	-0.01%	0.08
Shine Cable Network Private Limited	0.00%	(0.17)	0.00%	0.05
DEN Krishna Cable TV Network Private Limited	0.24%	41.67	-0.28%	4.08
Den Mahendra Satellite Private Limited	0.02%	2.75	-0.12%	1.79
DEN Pawan Cable Network Private Limited	0.28%	47.64	-0.09%	1.28
DEN Harsh Mann Cable Network Private Limited	0.03%	5.05	-0.14%	2.08
Den Classic Cable TV Services Private Limited	0.05%	8.13	0.11%	(1.61)
Den Montooshah Network Private Limited	0.00%	0.56	0.09%	(1.30)
Den Bindra Network Private Limited	0.00%	0.78	0.02%	(0.25)
Den Ashu Cable Private Limited	0.25%	42.19	-0.11%	1.63
Den Nanak Communication Private Limited	0.00%	(0.76)	-0.11%	1.63
Den Futuristic Cable Networks Private Limited	-0.17%	(28.94)	0.79%	(11.35)
Den Digital Cable Network Private Limited	-0.05%	(8.89)	-0.05%	0.69
Den Saya Channel Network Private Limited	0.16%	27.73	-0.36%	5.14
Den Faction Communication System Private Limited	0.00%	0.76	0.04%	(0.62)
Radiant Satellite (India) Private Limited	0.02%	4.20	-0.41%	5.88
Den Mewar Rajdev Cable Network Private Limited	-0.17%	(28.89)	1.04%	(15.01)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	"Amount (Rs./millions)"	As % of consolidated profit or loss	"Amount (Rs./millions)"
Den Radiant Satellite Cable Network Private Limited	0.01%	2.18	-0.02%	0.33
Den RIS Cable Network Private Limited	-0.03%	(4.69)	0.00%	(0.03)
Den Sky Media Network Private Limited	-0.90%	(154.46)	-0.70%	10.07
Meerut Cable Network Private Limited	0.67%	114.39	-0.01%	0.18
DEN Crystal Vision Network Private Limited	0.00%	(0.07)	0.00%	0.07
Den Mod Max Cable Network Private Limited	0.03%	4.64	-0.14%	2.00
DEN BCN Suncity Network Private Limited	0.01%	2.49	-0.02%	0.30
Den Pradeep Cable Network Private Limited	0.01%	2.46	0.17%	(2.42)
Den Prince Network Private Limited	-0.01%	(0.87)	0.10%	(1.38)
Den Jai Ambey Vision Cable Private Limited	0.00%	0.06	0.02%	(0.31)
DEN Varun Cable Network Private Limited	0.05%	8.49	-0.29%	4.21
DEN Aman Entertainment Private Limited	0.01%	2.44	-0.42%	6.06
Den Satellite Cable TV Network Private Limited	0.01%	1.79	0.53%	(7.60)
Den F K Cable Tv Network Private Limited	0.26%	44.13	-1.29%	18.57
Den Budaun Cable Network Private Limited	0.01%	1.76	-0.01%	0.12
DEN Ambey Cable Networks Private Limited	3.40%	580.89	-9.46%	136.23
Den Ambey Citi Cable Network Private Limited	0.01%	2.12	-0.09%	1.30
Den Ambey Jhansi Cable Network Private Limited	0.03%	5.80	-0.02%	0.35
Den Ambey Farukabad Cable Network Private Limited	0.00%	(0.81)	-0.03%	0.41
Den Kashi Cable Network Private Limited	0.06%	10.62	0.05%	(0.65)
Den Enjoy Cable Networks Private Limited	2.30%	392.82	-4.93%	70.98
DEN Prayag Cable Networks Private Limited	0.04%	6.78	-0.59%	8.46
Den Deva Cable Network Private Limited	0.00%	0.40	-0.01%	0.13
Den Maa Sharda Vision Cable Networks Private Limited	0.03%	4.77	-0.07%	1.06
Den Fateh Marketing Private Limited	0.05%	8.38	0.28%	(4.06)
Den Enjoy Navaratan Network Private Limited	0.03%	5.09	0.18%	(2.53)
Den Shiva Cable Network Private Limited	0.01%	1.42	-0.02%	0.34
Den Narmada Network Private Limited	-0.30%	(51.62)	-0.12%	1.71
Shree Sidhivinayak Cable Network Private Limited	0.04%	7.50	0.20%	(2.95)
Mahadev Den Network Private Limited	-0.08%	(14.29)	0.00%	0.01
Den Patel Entertainment Network Private Limited	0.04%	6.28	-0.02%	0.26
Mahadev Den Cable Network Private Limited	0.02%	3.84	0.02%	(0.23)
Den MCN Cable Network Private Limited	0.22%	38.31	0.02%	(0.27)
Drashti Cable Network Private Limited	0.10%	17.36	0.21%	(3.09)
Den-Manoranjan Satellite Private Limited	1.38%	235.22	-1.10%	15.83
Den Nashik City Cable Network Private Limited	0.09%	15.33	-0.02%	0.23
Den Supreme Satellite Vision Private Limited	0.03%	5.31	0.60%	(8.62)
Den Bellary City Cable Private Limited	0.00%	0.45	0.08%	(1.18)



Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	"Amount (Rs./millions)"	As % of consolidated profit or loss	"Amount (Rs./millions)"
Den Malayalam Telenet Private Limited	0.04%	6.23	0.33%	(4.81)
Den Malabar Cable Vision Private Limited	0.01%	1.42	0.07%	(0.96)
Den Elgee Cable Vision Private Limited	0.02%	4.25	0.00%	0.03
Den Rajkot City Communication Private Limited	1.19%	203.87	0.44%	(6.32)
Den Infoking Channel Entertainers Private Limited	0.02%	2.65	0.06%	(0.89)
Den Ucn Network India Private Limited	0.01%	1.31	0.03%	(0.48)
Fortune (Baroda) Network Private Limited	0.02%	3.52	-0.02%	0.24
Galaxy Den Media & Entertainment Private Limited	0.01%	1.56	0.00%	(0.03)
Bali Den Cable Network Private Limited	0.03%	5.74	0.24%	(3.45)
Mahavir Den Entertainment Private Limited	0.61%	105.05	0.88%	(12.68)
Den Citi Channel Private Limited	0.02%	3.31	0.21%	(3.04)
Amogh Broad Band Services Private Limited	-0.60%	(102.33)	3.59%	(51.64)
Star Channel Den Network Private Limited	0.01%	1.28	0.02%	(0.27)
Kishna Den Cable Networks Private Limited	0.00%	(0.69)	0.14%	(2.00)
Fab Den Network Private Limited	0.15%	26.45	-0.16%	2.31
Den Satellite Network Private Limited	4.68%	799.68	-8.27%	119.07
United Cable Network (Digital) Private Limited	0.01%	1.11	0.03%	(0.49)
Shree Ram Den Network Private Limited	0.00%	-	0.00%	-
Den Krishna Vision Private Limited	0.00%	(0.50)	-0.02%	0.22
Cab-i-Net Communications Private Limited	0.07%	12.45	0.21%	(2.97)
Divya Drishti Den Network Private Limited	0.00%	0.58	0.02%	(0.29)
Den Sahyog Cable Network Private Limited	0.01%	2.27	0.02%	(0.24)
Den Sariga Communications Private Limited	-0.01%	(0.90)	0.13%	(1.82)
Den New Broad Communications Private Limited	0.24%	41.27	0.22%	(3.14)
Den Sports & Entertainment Private Limited	-0.01%	(2.42)	0.13%	(1.90)
Den Soccer Private Limited	-0.89%	(152.59)	33.60%	(483.86)
Den Kattakada Telecasting & Cable Services Private Limited	-0.03%	(4.64)	1.07%	(15.39)
Kerela Entertainment Private Limited	-0.08%	(13.44)	-0.10%	1.41
Den A.F. Communication Private Limited	-0.01%	(2.14)	-0.02%	0.23
Big Den Entertainment Private Limited	0.03%	5.02	-0.05%	0.65
Sree Gokulam Starnet Communication Private Limited	0.01%	0.91	-0.07%	1.05
Rajasthan Entertainment Private Limited	0.00%	0.02	0.01%	(0.21)
Fun Cable Network Private Limited	-0.02%	(3.91)	0.02%	(0.32)
Uttar Pradesh Digital Cable Network Private Limited	0.00%	(0.57)	0.04%	(0.57)
Den Steel City Cable Network Private Limited	0.01%	1.18	0.07%	(1.05)
Sanmati DEN Cable TV Network Private Limited	0.01%	1.92	0.04%	(0.60)
Crystal Vision Media Private Limited	0.24%	41.85	-0.20%	2.83
Multi Channel Cable Network Private Limited	0.00%	0.18	0.23%	(3.33)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	"Amount (Rs./millions)"	As % of consolidated profit or loss	"Amount (Rs./millions)"
Victor Cable Tv Network Private Limited	0.00%	0.21	-0.05%	0.65
Gemini Cable Network Private Limited	0.14%	24.58	-0.38%	5.41
Matrix Cable Network Private Limited	-0.05%	(8.64)	0.23%	(3.28)
DEN Enjoy SBNM Cable Network Private Limited	0.00%	0.62	-0.02%	0.27
Ambika DEN Cable Network Private Limited	0.00%	0.31	0.01%	(0.11)
Saturn Digital Cable Private Limited	0.01%	0.96	-0.01%	0.18
Multi Star Cable Network Private Limited	0.01%	1.42	-0.07%	1.03
VM Magic Entertainment Private Limited	0.03%	4.44	0.09%	(1.34)
Antique Communications Private Limited	0.00%	(0.51)	0.04%	(0.57)
Bhadohi DEN Entertainment Private Limited	0.00%	0.18	-0.01%	0.14
Sanmati Entertainment Private Limited	0.01%	0.94	0.11%	(1.58)
Capital Entertainment Private Limited	0.00%	0.04	0.00%	(0.03)
Disk Cable Network Private Limited	0.02%	3.91	0.00%	(0.03)
Shaakumbari Den Media Private Limited	-0.02%	(3.91)	0.30%	(4.36)
Silverline Television Network Private Limited	0.05%	8.92	-0.43%	6.23
Eminent Cable Network Private Limited	1.60%	273.43	-3.07%	44.22
Trident Entertainment Private Limited	0.01%	1.15	0.05%	(0.68)
Rose Entertainment Private Limited	0.07%	11.91	-0.05%	0.67
Blossom Entertainment Private Limited	-0.01%	(1.34)	0.05%	(0.77)
Ekta Entertainment Network Private Limited	0.24%	41.54	-0.33%	4.70
DEN ADN Network Private Limited	0.97%	165.97	-1.62%	23.32
CCN DEN Network Private Limited	1.64%	280.49	-0.60%	8.70
Devine Cable Network Private Limited	0.00%	(0.18)	0.01%	(0.08)
Nectar Entertainment Private Limited	0.00%	0.16	0.06%	(0.80)
DEN STN Television Network Private Limited	0.01%	2.43	0.10%	(1.40)
Multitrack Cable Network Private Limited	0.00%	0.08	0.06%	(0.88)
Glimpse Communication Private Limited	0.01%	1.88	0.02%	(0.30)
Indradhanush Cable Network Private Limited	0.02%	2.82	0.21%	(2.96)
Adhunik Cable Network Private Limited	-0.01%	(0.91)	0.04%	(0.55)
Pee Cee Cable Network Private Limited	0.00%	-	0.00%	-
Libra Cable Network Private Limited	0.35%	59.03	-0.41%	5.93
Srishti Den Networks Private Limited	0.55%	94.26	-0.06%	0.88
Maitri Cable Network Private Limited	0.00%	0.57	-0.04%	0.60
Melody Cable Network Private Limited	0.01%	1.44	0.04%	(0.61)
Mountain Cable Network Private Limited	0.00%	(0.30)	0.07%	(0.94)
Portrait Cable Network Private Limited	0.01%	1.49	0.03%	(0.41)
Mansion Cable Network Private Limited	0.87%	149.47	-3.41%	49.11
Skynet Cable Network Private Limited	0.01%	2.52	0.09%	(1.32)
DEN Discovery Digital Networks Private Limited	1.32%	225.64	-0.70%	10.05
Jhankaar Cable Network Private Limited	0.01%	1.87	0.28%	(3.99)
Konark IP Dossiers Private Limited	0.17%	29.47	-0.25%	3.61
DEN ABC Cable Network Ambarnath Private Limited	0.05%	7.73	-0.20%	2.90

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	"Amount (Rs./millions)"	As % of consolidated profit or loss	"Amount (Rs./millions)"
Den Premium Multilink Cable Network Private Limited	0.55%	94.32	-0.38%	5.49
Angel Cable Network Private Limited	-0.01%	(0.88)	-0.09%	1.25
Scorpio Cable Network Private Limited	0.00%	0.71	0.01%	(0.15)
Desire Cable Network Private Limited	-0.01%	(1.41)	0.17%	(2.41)
Marble Cable Network Private Limited	0.01%	1.26	-0.01%	0.08
Augment Cable Network Private Limited	0.01%	1.84	-0.10%	1.44
ABC Cable Network Private Limited	0.02%	3.53	-0.02%	0.35
Den MTN Star Vision Cable Private Limited	0.01%	1.18	0.02%	(0.36)
Minority Interests in all subsidiaries	-9.68%	(1,654.54)	15.53%	(223.73)
Joint Ventures (as per proportionate consolidation)				
Indian				
Macro Commerce Private Limited	-0.26%	(45.08)	3.17%	(45.65)
Star Den Media Services Private Limited	2.34%	400.33	-2.42%	34.79

### 38. MINORITY INTEREST

The break-up of the minority interest balance of Rs. 1,654.54 million (Previous Year Rs. 1,335.22 million) as at 31<sup>st</sup> March, 2015 is as follows:

Particulars	(Rs. in million)	
	Year ended 31.03.2015	Year ended 31.03.2014
Opening balance	1,335.22	910.11
Add/(less):Minority's share of accumulated profit/(loss)	108.51	75.87
Add/(less):Share in profit/ (loss)	223.73	367.42
Add/(less):Decrease in Minority's share due to sale of shares	-	(18.18)
Add/(less): Other adjustment (Dividend)	(12.92)	-
Closing balance	<b>1,654.54</b>	<b>1,335.22</b>

### 39. DURING THE YEAR 2013-14, THE COMPANY HAD ISSUED AND ALLOTTED 44,175,705 EQUITY SHARES AGGREGATING TO RS. 9,608.22 MILLION AS FOLLOWS

Particulars	Amount (Rs. in million)
a. 12,466,321 equity shares by way of Qualified Institutional Placement (QIP) under chapter VIII of SEBI (ICDR) Regulation, 2009	2,711.43
b. 31,709,384 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009	6,896.79
<b>Total</b>	<b>9,608.22</b>

The utilization details of the above proceeds are as follows:-

Particulars	Amount (Rs. in million)
a. Amount used for issue expense	279.49
b. Invest in capex for digitization, broadband and other infrastructure and services	2,397.12
c. Balance amount invested in fixed deposits and mutual funds	6,931.61
<b>Total</b>	<b>9,608.22</b>

#### 40. INTEREST IN JOINTLY CONTROLLED ENTITIES

The Holding Company has 50% interest in the assets, liabilities, expense and income of Star Den Media Services Private Limited (Star Den). Further, interest of Star Den in Media Pro Enterprise India Private Limited (Media Pro) is 50% resulting in 25% interest of the Holding Company in Media Pro. The Holding Company also has 50% interest in the assets, liabilities, expense and income of Macro Commerce Private Limited (Macro).

The Holding Company's share in assets, liabilities, income and expense of the jointly controlled entities, based on the audited financial statements for the year ended 31<sup>st</sup> March, 2015 is as follows:-

(Rs. in million)					
	Particulars	Star Den	Media Pro	Macro	Total
<b>ASSETS</b>					
<b>1.</b>	<b>NON-CURRENT ASSETS</b>				
	Fixed assets	<b>0.63</b>	-	<b>6.90</b>	<b>7.53</b>
		0.89	2.66	-	3.55
	Long-term loans and advances	<b>167.82</b>	<b>424.47</b>	-	<b>592.29</b>
		163.44	405.95	-	569.39
<b>2.</b>	<b>CURRENT ASSETS</b>				
	Current investments	<b>199.39</b>	-	<b>21.43</b>	<b>220.82</b>
		180.00	-	-	180.00
	Trade receivables	<b>7.86</b>	<b>6.13</b>	<b>2.44</b>	<b>16.43</b>
		10.69	341.91	-	352.60
	Cash and bank balances	<b>6.89</b>	<b>61.02</b>	-	<b>67.91</b>
		30.68	589.91	-	620.59
	Short-term loans and advances	<b>0.45</b>	<b>5.04</b>	<b>10.90</b>	<b>16.39</b>
		5.35	39.15	-	44.50
	Other current assets	<b>7.80</b>	<b>0.72</b>	-	<b>8.52</b>
		3.87	206.56	-	210.43
	<b>TOTAL</b>	<b>390.84</b>	<b>497.38</b>	<b>41.67</b>	<b>929.89</b>
		394.92	1,586.14	-	1,981.06
<b>LIABILITIES</b>					
<b>3.</b>	<b>NON-CURRENT LIABILITIES</b>				
	Long-term provisions	-	-	<b>0.08</b>	<b>0.08</b>
		-	-	-	-
<b>4.</b>	<b>CURRENT LIABILITIES</b>				
	Trade payables	<b>3.33</b>	<b>438.23</b>	<b>20.81</b>	<b>462.37</b>
		4.80	1,447.88	-	1,452.68
	Other current liabilities	<b>6.35</b>	<b>11.15</b>	<b>7.39</b>	<b>24.89</b>
		24.57	103.80	-	128.37
	Short-term provisions	<b>3.15</b>	-	<b>9.08</b>	<b>12.23</b>
		3.20	5.62	-	8.82
<b>5.</b>	<b>SHAREHOLDERS' FUNDS</b>				
	Post-acquisition reserves	<b>365.51</b>	<b>35.50</b>	<b>(45.68)</b>	<b>355.33</b>
		349.85	16.34	-	366.19
		<b>378.34</b>	<b>484.88</b>	<b>(8.32)</b>	<b>854.90</b>
		382.42	1,573.64	-	1,956.06
<b>6.</b>	<b>REVENUE</b>				
	Revenue from operations	<b>68.06</b>	<b>108.92</b>	<b>15.65</b>	<b>192.63</b>
		92.44	433.47	-	525.91
	Other income	<b>17.15</b>	<b>31.71</b>	<b>0.23</b>	<b>49.09</b>
		64.80	4.59	-	69.39

(Rs. in million)

	Particulars	Star Den	Media Pro	Macro	Total
7.	<b>EXPENSES</b>				
	Employee benefit expense	<b>34.13</b>	<b>20.64</b>	<b>7.63</b>	<b>62.40</b>
		38.22	136.55	-	174.77
	Finance costs	-	0.25	0.37	0.62
		-	-	-	-
	Depreciation and amortisation expense	<b>0.27</b>	<b>0.78</b>	<b>0.41</b>	<b>1.46</b>
		0.63	3.85	-	4.48
	Other expenses	<b>34.34</b>	<b>98.48</b>	<b>54.09</b>	<b>186.91</b>
		60.76	257.71	-	318.47
	Profit/ (loss) before tax	<b>16.47</b>	<b>20.48</b>	<b>(46.62)</b>	<b>(9.67)</b>
		57.63	39.95	-	97.58
	Less : Tax expenses	<b>0.83</b>	<b>1.32</b>	-	<b>2.15</b>
		60.75	46.81	-	107.56
	Profit / (loss) for the year after tax	<b>15.64</b>	<b>19.16</b>	<b>(46.62)</b>	<b>(11.82)</b>
		(3.12)	(6.86)	-	(9.98)

Note: Amounts in italics represent previous year's figures.

There are no commitments of the jointly controlled entities. Media Pro has given bank guarantee amounting to Rs. 32.70 million in favour of The Registrar, Supreme Court of India against a matter. The Group's share of this contingent liability as at 31<sup>st</sup> March, 2015 amounts to Rs. 8.17 million.

#### 41. EARNINGS PER EQUITY SHARE (EPS)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
a. Net Profit/ (loss) attributable to equity shareholders (Rs. in million)	(1,440.21)	383.99
b. Weighted average number of equity shares outstanding used in computation of basic EPS	178,199,806	161,317,159
c. Basic Earnings/(Loss) per equity share of Rs. 10 each (in Rs.)	(8.08)	2.38
d. Weighted average number of equity shares and equity equivalent shares outstanding used in computing diluted EPS	178,199,806	161,317,159
e. Diluted Earnings/(Loss) per equity share of Rs. 10 each (in Rs.)	(8.08)	2.38

\* There are no potential equity shares as at 31<sup>st</sup> March, 2015.

42. Figures pertaining to the subsidiaries and jointly controlled entities have been regrouped / reclassified wherever necessary to bring them in line with the Group's financial statements.
43. Pursuant to TRAI notification, Digital Addressable System (DAS) was implemented in metropolitan cities of the country in phase I with effect from 1 November, 2012 and in 38 other cities in phase II with effect from 1 April, 2013. The Group is in the process of finalising the subscription fee to be billed to subscribers. Pending finalisation of such subscription fees, the Company has recognised subscription income on best estimates based on market trends and negotiations with distributors/ local cable operators. Based on its review of such estimates on a regular basis management is of the view that any change arising in the subscription fee once finalised will not have significant impact on the revenue of the Group for the current year and previous year.
44. During the year, with effect from 01 April, 2014, the Group has revised the estimated useful lives of certain assets based on a technical study and evaluation of the useful life of the assets conducted in this regard and management's assessment thereof. The details of previously applied depreciation rates and useful life and revised useful life are as follows:

Asset	Previous depreciation rate and useful life	Revised useful life based on SLM
Computers	16.67% / ~6 years	33.33% / ~3 years
Office Equipment	10% / ~10 years	20% / ~5 years

Consequent to the change arising from the assessment of the useful lives of certain assets as above:

- i. The Group has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on 01 April, 2014, and has adjusted an amount of Rs17.80 million against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.
  - ii. As a result the net depreciation charge for the year is higher by Rs11.64 million.
- 45.** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

**In terms of our report attached**  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's registration no. 015125N)

For and on behalf of the Board of Directors

**JITENDRA AGARWAL**  
Partner  
(Membership No. 87104)

New Delhi  
11 May, 2015

**SAMEER MANCHANDA**  
Chairman Managing Director  
DIN: 00015459

**MANISH DAWAR**  
Group Chief Financial Officer

New Delhi  
11 May, 2015

**AJAYA CHAND**  
Director  
DIN: 02334456

**JATIN MAHAJAN**  
Company Secretary  
FCS-6887

## NOTICE

Notice is hereby given that the Eighth Annual General Meeting of the members of DEN Networks Limited will be held on Tuesday, September 29, 2015 at 11.30 A.M. at Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110 001, Delhi to transact the following businesses:

### ORDINARY BUSINESS

**1. To Receive, consider and adopt audited standalone financial statements of the Company for the financial year ended March 31, 2015.**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited standalone financial statements of the Company including the balance sheet as at March 31<sup>st</sup>, 2015, the statement of profit and loss, the cash flow statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted.”

**2. To Receive, consider and adopt audited consolidated financial statements of the Company for the financial year ended March 31, 2015.**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited consolidated financial statements of the Company including the balance sheet as at March 31<sup>st</sup>, 2015, the statement of profit and loss, the cash flow statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted.”

**3. Re-appointment of Mr. Sameer Manchanda as a Director liable to retire by rotation**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof), Mr. Sameer Manchanda (DIN: 00015459), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Executive Director of the Company liable to retire by rotation.”

**4. Appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as the Statutory Auditors of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof), M/s. Deloitte Haskins & Sells, Chartered

Accountants, (Firm Registration No. 015125N), be and are hereby appointed as Statutory Auditors of the Company, for a period of three years i.e., from the conclusion of Eighth (08th) Annual General Meeting till the conclusion of Eleventh (11th) Annual General Meeting of the Company, subject to annual ratification by the shareholders at every Annual General Meeting and at such remuneration as shall be fixed by the Board of Directors on recommendation of the Audit Committee.”

### SPECIAL BUSINESS

**5. Re-appointment and fixation of remuneration of Mr. Sameer Manchanda, Chairman Managing Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (the Act) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013 and remuneration policy and performance evaluation and Memorandum & Articles of Association of the Company, any amendments or re-enactments thereto and any other acts, rules or other statutes applicable, the approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Sameer Manchanda (DIN: 00015459) as Chairman Managing Director of the Company for a period of three (3) years (i.e., 10-09-2015 to 09-09-2018) at a total remuneration of Rs. 3,25,00,000/- (Rupees Three Crore Twenty Five Lacs) per annum as decided by the Board of Directors on recommendation of Nomination and Remuneration Committee of the Company, with 10% increment on yearly basis the details of which is given in the explanatory statement to the notice, subject to approval of the Central Government/Ministry of Corporate Affairs and other approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed by appropriate authorities while granting such permissions and shall also be liable to retire by rotation.

**RESOLVED FURTHER THAT** the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits as contemplated under the provisions of Schedule V of the Companies Act, 2013, then remuneration as decided above be paid with the prior approval of the Central Government or in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized (which term shall always be deemed to include any committee as constituted or to be constituted

by the board to exercise its powers conferred under this resolution) to vary the remuneration from time to time as may be required to the extent the Board may consider appropriate in accordance with the applicable provisions of Companies Act, 2013, any rules, regulations and schedules made there under for the time being in force and/or as approved by the Central Government or such other competent authority.

**RESOLVED FURTHER THAT** Chief Executive Officer or Chief Financial Officer or Company Secretary of the Company be and are hereby authorized severally to file necessary application(s), document(s), form(s), clarification(s), give representation(s), returns etc., and to do all such acts, matters, deeds and things necessary or desirable in connection with, or incidental to, giving effect to the above resolution, including filing of the resolution/ application(s) with the Registrar of Companies, NCT of Delhi & Haryana, Central Government and any other authority, if any and to comply with all requirements in this regards.”

**6. To approve the remuneration payable to M/s. Ajay Kumar Singh & Co, Cost Accountants as Cost Auditors of the Company for the financial year 2015-2016**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force and as per the recommendations of the Audit Committee, the Cost Auditor, M/s. Ajay Kumar Singh & Co. (FRN-000386), appointed as Cost Auditors by the Board of Directors of the Company, to audit the cost records of the Company for the financial year 2015-2016, be paid the remuneration as set out in the statement annexed to the notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board  
For **DEN Networks Limited**

Sd/-

**Jatin Mahajan**

Company Secretary & Compliance Officer

Place: New Delhi

Dated: 31<sup>st</sup> July, 2015

Notes:-

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of Annual General Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. During the period beginning 24 hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/ Proxies are requested to bring a copy of this notice as no copies will be made available at the meeting. Under no circumstances, photocopies of the admission slip will be allowed for admission at the meeting place. The notice of the 8th Annual General Meeting and the DEN's Annual Report for FY 2014-2015 will be available on the Company's website i.e., **www.dennetworks.com**, those members who do not receive copies of annual report can collect their copies from the Registered Office of the Company.
6. Members/Proxies should bring the attendance slips duly filled in for attending the meeting.
7. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of attorney authorizing their representative to attend and vote at the Annual General Meeting.
8. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
9. The Registers of Contract and Arrangements in which directors are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
10. Members can avail the nomination facility with respect to shares held, by submitting a request in writing to the company or to M/s Karvy Computershare Private Limited, the Registrar and Share transfer Agent of the company.
11. Mr. Sameer Manchanda (DIN 00015459), Chairman Managing Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible,



offer himself for re-appointment. Brief resume of the director, nature of his expertise and names of other Public Limited companies in which he holds directorship and chairmanship / membership of committees of Board as required under clause 49 of the Listing agreement entered into with the stock exchange(s), are provided in the Corporate Governance report annexed in the Annual Report. On re-appointment, Mr. Sameer Manchanda will continue to act as Executive Director. The Board of directors recommends his re-appointment.

12. The registers of members will be closed from September 22, 2015 to September 26, 2015, both days inclusive. The transfer Books of the company will also remain closed for the aforesaid period.
13. All documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company during working hours between 10.00 A.M to 1.00 P.M. except holidays upto the date of Annual General Meeting.
14. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by KARVY, on all resolutions set forth in this Notice.
15. Notice of the 8th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 8th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.
16. Members are requested to send all the correspondence concerning registration of transfer, transmission, subdivision, consolidation of shares or any other share related matters and or change in address to the Company's Registrar & Share Transfer agent, M/s Karvy Computershare Private Limited, at Karvy House, 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad- 500 034
17. The details of the stock exchanges, on which the securities of the company are listed, are given separately in this Annual Report.
18. Any query related to the accounts may be sent at the Registered Office of the Company at least 10 days before the date of the Annual General Meeting.
19. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrar and Share Transfer agent, Karvy Computershare Private Limited, for consolidation into a single folio.
20. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, for Special Business, setting

out all material facts and the statement of particulars of Directors seeking appointment/re-appointment, as required under Clause 49 of the Listing Agreement are annexed hereto. The Directors have furnished the requisite consents/ declarations for their appointment / reappointment.

21. The Annual Accounts of the Subsidiary Companies shall be available at the Registered Office of the Company for inspection by any shareholder.
22. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect of shares held in physical form and with respective Depository Participants (DP) where the shares are held in dematerialised form.
23. As per the requirements of Secretarial Standard SS-2, with respect to the General Meetings, the venue of the Annual General Meeting is "**Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110 001, Delhi**" and the Route Map thereof is annexed with the Notice and is also posted on the website of the Company.

## INSTRUCTIONS FOR E-VOTING

1. Voting through electronic means:
  - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the resolutions contained in this notice.
  - b) The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Authorised Agency to provide e-voting facilities.
  - c) The Board of Directors has appointed Mr. Manoj Kumar Jain, Company Secretary in practice as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.
  - d) Members are requested to carefully read the instructions for e-voting before casting their vote.
  - e) The e-voting period will commence at 9.00 A.M on September 25, 2015 and will end at 5.00 P.M. on September 28, 2015.
  - f) The cut-off date (i.e. the record date) for the purpose of e-voting is September 22, 2015.
  - g) The procedure and instructions for e-voting are as under:
    - i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
    - ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Event no. followed by Folio Number registered with the company
	Your Unique password is Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact our toll free No. 1800-3454-001 for any further clarifications.
- iv) Members can cast their vote online from September 25, 2015 @ 9.00 A.M. and will end at 5.00 P.M. on September 28, 2015.
- v) After entering these details appropriately, click on “LOGIN”.
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile, email ID etc on 1<sup>st</sup> login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., 'DEN NETWORKS LIMITED'.
- ix) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting .Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'

- xi) After selecting the resolution you have decided to vote on, click on “SUBMIT”.A confirmation box will be displayed .If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (Corporate/Fls/Flls/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [manojfcs@gmail.com](mailto:manojfcs@gmail.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format “Corporate Name\_ Event no.”.
- h) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not be allowed to vote again at the Meeting.
- i) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being September 22, 2015.
- j) The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company ([www.dennetworks.com](http://www.dennetworks.com)) and on Karvy's website (<https://evoting.karvy.com>).

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 5

Mr. Sameer Manchanda was appointed as Chairman Managing Director of the Company for a period of five years (i.e., 10-09-2010 to 09-09-2015) through Postal Ballot dated 21<sup>st</sup> October 2010. The shareholders of the Company through Postal Ballot dated 28-12-2010 approved giving of managerial remuneration of Rs. 15 Lac per month. The managerial remuneration was increased to Rs. 20 Lac per month with 10% increment on yearly basis (w.e.f., 12-11-2012) by approval of shareholders through Postal Ballot on 28-02-2013.

It is proposed to re-appoint Mr. Sameer Manchanda as Chairman Managing Director for a period of 3 years from 10-09-2015 to 09-09-2018 on managerial remuneration of Rs 3.25 Crore per annum with 10% increment on yearly basis.

In terms of the provisions of the Companies Act 2013, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their respective meeting held on July 31, 2015, have approved re-appointment of Mr. Sameer Manchanda as Chairman Managing Director of the Company for a period of three years on the remuneration of Rs. 3,25,00,000/- (Rupees Three Crore Twenty Five Lacs) per annum with 10%

increment on yearly basis. In case, the Company will have no profits or its profits are inadequate, then the remuneration shall be paid to him with the prior approval of the Central Government or in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

Pursuant to Schedule V of the Companies Act, 2013, details of Mr. Sameer Manchanda are as follows:

**I. General Information**

1. Nature of the Industry

DEN Networks Limited (“DEN”) is India’s largest cable TV distribution company serving 13 million homes in over 200 cities. The company has been a front runner in the digitisation of Indian cable television and has approximately 6 million digital subscribers. DEN’s geographic footprint spans 13 key states across India including Delhi, Uttar Pradesh, Karnataka, Maharashtra,

Gujarat, Rajasthan, Haryana, Kerala, West Bengal, Jharkhand and Bihar. The company has a significant presence in the strategic & economically important Hindi Speaking Markets (HSM) belt. DEN has soft launched its super-fast cable broadband internet services on DOCSIS 3.0 technology. The offering offers plans up to speeds of 100 Mbps. The service is currently available in parts of Delhi NCR.

- 2. Date or expected commencement of commercial production  
The Company commenced its operations since July 10, 2007.
- 3. In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus.  
Not Applicable
- 4. Financial Performance based on given indicators

Standalone Figures (Rs. in’000)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Sales and other Income	9,434,710	9,366,160	7,260,210
Profit before Depreciation, Interest and Tax but after Prior Period Items	714,760	1,638,480	1,580,730
Depreciation / Amortization	1,086,790	852,140	496,150
Interest and Finance Charges	765,510	828,000	446,840
Profit / (Loss) before Exceptional Items and Tax	(1,137,540)	(41,660)	637,740
Exceptional Gain / (Loss)	Nil	Nil	Nil
Profit / (Loss) before Tax	(1,137,540)	(41,660)	637,740

5. Foreign Investments or Collaborations, if any

Your company is not having any foreign investment/ foreign collaboration.

**II. Information about the appointee**

S. No.	Particulars	Remarks
1.	Background details including qualification, experience etc.	Mr. Sameer Manchanda has over 2 decades experience in the Indian media industry and has played an active role in the evolution of the Indian television industry since 1984. His experience and expertise span all segments of the media industry including the fields of strategic & financial planning, media distribution, capital structuring, mergers & acquisitions, collaborations and joint ventures. He is a qualified Chartered Accountant & a Fellow member of the Institute of Chartered Accountants of India.  <b>Terms and conditions of reappointment</b> It is proposed to re-appoint Mr. Sameer Manchanda as Chairman Managing Director for a period of 3 years from 10-09-2015 to 09-09-2018
2.	Past Remuneration	Mr. Sameer Manchanda was paid Rs. 2.60 Crore as remuneration during the Financial year ended on 31.3.2015. The Central Government has approved remuneration of Rs. 2.83 Crore per annum for the Financial year 2015-16.
3.	Recognition and awards	Mr. Sameer Manchanda has been associated with the Indian television industry since 1984 and is an acknowledged expert in various fields including strategic & financial planning, media distribution, capital structuring, mergers & acquisitions, collaborations and joint ventures. He was a co-founder of the erstwhile IBN18, home of leading television channels CNN IBN and IBN7 and was the Joint Managing Director of the company from 2005 to 2010.  He was also a founding member of the News Broadcasters Association and served as its President in 2009 and 2010. The industry portal Indiantelevision.com has recognized him as a Top 10 executive of the Indian television industry for two successive years, 2008 and 2009.
4.	Job Profile and suitability	As Chairman Managing Director of the Company, Mr. Sameer Manchanda is responsible for all matters pertaining to finance, raising of funds, investor relations and business development. He is also jointly responsible for matters pertaining to MSO acquisitions and technical areas among others. Mr. Sameer Manchanda has experience and expertise span in all segments of the media industry including the fields of strategic & financial planning, media distribution, capital structuring, mergers & acquisitions, collaborations and joint ventures. He is highly suitable for the job.

S. No.	Particulars	Remarks
5.	Remuneration Proposed/ remuneration sought to be paid	<p>As per recommendation of Nomination and Remuneration/Compensation Committee subsequently approved by Board of Directors of the Company. The details of remuneration to be paid are as follow:</p> <p><b>Salary</b> Gross Salary of Rs. 3.25 Crore per annum with 10% increment on yearly basis.</p> <p><b>Perquisites</b> Medical Benefits for self and Family: Reimbursement of expenses actually incurred.</p> <p><b>Leave Travel Concession</b> For self and family, reimbursement in respect of which shall not exceed one month's salary in a year. Any unspent amount be repaid at the end of tenure or may be carried forward to the succeeding years in case of extension of appointment.</p> <p><b>Provident Fund</b> Contribution to the Company's Provident Fund Scheme, in accordance with the rules of the scheme.</p> <p><b>Gratuity</b> One month's half salary for each completed year of service.</p> <p><b>Leave Encashment</b> Encashment of leave at the end of the tenure subject to a maximum of 45 days, including brought forward leaves if any.</p> <p><b>Car</b> Free use of Company maintained car with chauffeur for official purpose.</p> <p><b>Telephone</b> Free telephone facility at residence.</p> <p><b>Club Membership</b> Actual fees for a maximum of two clubs.</p> <ul style="list-style-type: none"> <li>• Mr. Sameer Manchanda will not be receiving sitting fees for attending meeting of the Board or Committee thereof.</li> <li>• In the event of any relaxation made by the Government in the guidelines or ceilings on managerial remuneration during his tenure the remuneration payable to Mr. Sameer Manchanda may be increased as the Board may deem fit, in accordance with such guidelines for ceilings.</li> </ul>
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of the appointee, Mr. Manchanda is fully justifiable and comparable to that prevailing in the industry, keeping in view the profile and the position of Chairman Managing Director respectively and enriched knowledge & vast experience of the appointee. He shall be looking after and responsible for the whole affairs of the management of the Company and shall be accountable to the Board of Directors of the Company.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	Mr. Sameer Manchanda is a promoter director of the Company. Except and otherwise, Mr. Manchanda does not have any pecuniary relationship with the Company and is not related with any other director or any other managerial personnel(s) of the company.

The Scope and quantum of remuneration and perquisites specified in point (5) above, may be enhanced, enlarged, widened, altered or varied by the Board of Directors in the light of and in conformity with the relevant provisions of the Companies Act and schedule V and/or the rules and regulations made there under and/ or such guidelines as may be announced by the Central Government from time to time in future.

In absence of or inadequacy of profits in any financial year during the currency of tenure of the appointee, the aforesaid remuneration will be paid with the prior approval of the Central Government or in accordance with the provisions of Section II or Part II of Schedule V of the Companies Act,

2013 or such other amount as may be provided in Schedule V as may be amended from time to time or an equivalent statutory re-enactments thereof.

The Company shall pay to or reimburse the Executive Chairman and he shall be entitled to be paid and / or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

Executive Chairman is liable to retire by rotation. Accordingly, if he fails to get re-appointment in General Meeting, his appointment as an Executive Chairman will cease automatically.

Other details:		
01.	Date of first appointment on Board	15.09.2007
02.	Shareholding in the Company	26.18%
03.	Age	54 years
04.	No. of Board Meetings attended in financial year 2014-15	Total Meetings held- 5 No. of meetings attended- 5
05.	Other Directorships, Membership/Chairmanship of Committees of other Board*	Nil
06.	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	(Yes) (No) ✓

\*For the purpose of considering the total number of directorships, all Public Limited Companies, whether listed or not, have been considered. Private Limited Companies, Directorship in DEN Networks Limited, Alternate Directorships, Foreign Companies and Companies under section 8 of The Companies Act, 2013, have not been included and in calculation of total number of Memberships/ Chairmanships of Committee(s) only Audit Committees and Stakeholders' Relationship Committees of all Public Limited Companies have been considered.

### III. Other Information

- Reasons for loss/inadequacy of profits  
Your Company is in the cable distribution business which involves significant expenses in technology, infrastructure and skilled professionals for successfully running its business. The Broadband business of the Company is at nascent stage and involves significant investment. The company faces several competitive pressures from within the cable industry and from other distribution platforms. The company has been making significant investments in various areas to maintain its leadership position within the industry and further grow its subscriber base. The company also maintains a large infrastructure for digital cable services which has high operating and maintenance costs attached to it.
- Steps taken or proposed to be taken for improvement  
Besides pursuing growth to bolster its revenue streams, the Company is also seeking to expand into new areas which can give it new revenue streams. The Company is also strictly controlling its expenses to maximize its margins and the profitability. It is constantly seeking new ways and means to increase efficiency of its resources. The Company is also increasing its subscriber base in Cable and Broadband to maximize the returns.
- Expected increase in productivity and profits in measurable terms  
The Company expects a reasonable improvement in its profitability as a result of aforesaid efforts.

### IV. Disclosures:

The details of remuneration are set out in the accompanying notice. The appointment and remuneration of Mr. Sameer Manchanda have been approved by Nomination and Remuneration/ Compensation Committee and the Board of Directors of the Company.

The Company shall make appropriate disclosures as required under Schedule V of the Companies Act, 2013 in the Corporate Governance Report forming part of the Directors' Report of the Company.

The proposal outlined above is in the interest of the Company and the Board recommends the resolution for approval by members.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Sameer Manchanda, Chairman Managing Director, are concerned or interested in the above resolution financially or otherwise.

#### ITEM NO. 6

The Board of Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of M/s. Ajay Kumar Singh & Co., Cost Accountant, as Cost Auditor, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 on remuneration of Rs. 60,000/- (Rupees Sixty Thousand) plus applicable service tax and out of pocket expenses as may be incurred.

Accordingly, it is proposed to sought consent of the members by passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016.

The proposal as mentioned in Item No. 6 is in the interest of the Company and the Board recommends the resolution for approval by members.

None of the persons namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolution financially or otherwise.

By order of the Board  
For **DEN Networks Limited**  
Sd/-  
**Jatin Mahajan**  
Company Secretary & Compliance Officer

Place: New Delhi  
Dated: 31<sup>st</sup> July, 2015

## NOTES

A series of 25 horizontal dotted lines for writing notes.



Route map to the venue of the AGM





**ATTENDANCE SLIP**



**DEN NETWORKS LIMITED**

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi – 110020  
investorgrievance@denonline.in | www.dennetworks.com  
Tel : + 91 11 40522200, Fax: + 91 11 40522203  
08<sup>th</sup> Annual General Meeting – September 29, 2015

Registered Folio no. / Client ID no.:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

DP ID no:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Number of shares held

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 8th Annual General Meeting of the Company at Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110 001, Delhi on Tuesday, September 29, 2015 at 11:30 A.M. IST

.....

.....

Name of the member / proxy  
(in BLOCK letters)

Signature of the member / proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

**PROXY FORM (MGT-11)**

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]



**DEN NETWORKS LIMITED**

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi – 110020  
investorgrievance@denonline.in | www.dennetworks.com  
Tel : + 91 11 40522200, Fax: + 91 11 40522203  
8<sup>th</sup> Annual General Meeting – September 29, 2015

Name of the member(s) 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Registered address 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Email 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Folio no. / Client ID 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

DP ID 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

Name: ..... Email: .....

Address:.....

..... Signature:.....

or failing him / her

Name: ..... Email: .....

Address:.....

..... Signature:.....

or failing him / her

Name: ..... Email: .....

Address:.....

..... Signature:.....

or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 8th Annual General Meeting of the Company, to be held on Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110 001, Delhi on Tuesday, September 29, 2015 at 11:30 A.M. IST and at any adjournment thereof in respect of such resolutions are indicated below:

Resolution no.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary Business</b>				
1	To receive, consider and adopt audited Standalone Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2015			
2	To receive, consider and adopt audited Consolidated Balance Sheet, Statement of Profit and Loss and Auditors Report for the financial year ended March 31, 2015			
3	Appoint a director in place of Sh. Sameer Manchanda, who retires by rotation and being eligible, seeks re appointment			
4	Re-appointment of M/s. Deloitte Haskins Sells, Chartered Accountants as Statutory Auditors of the Company			
<b>Special Business</b>				
5	Re-appointment of Mr. Sameer Manchanda as Chairman Managing Director			
6	To approve the remuneration payable to M/s. Ajay Kumar Singh & Co, Cost Accountants as cost auditors of the Company for the financial year 2015-2016			

Signed this ..... day of ..... 2015.

.....  
Signature of the member(s)

.....  
Signature of the proxy holder(s)

Affix revenue stamp
---------------------------

Notes:

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.



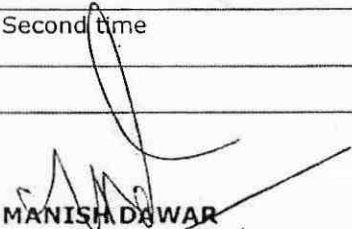
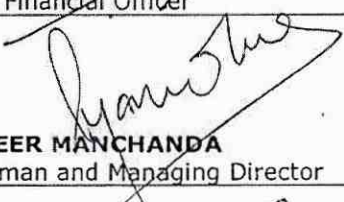

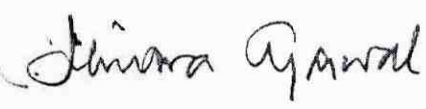


DEN Networks Limited  
236, Okhla Industrial Estate, Phase III  
New Delhi – 110020

[www.dennetworks.com](http://www.dennetworks.com)

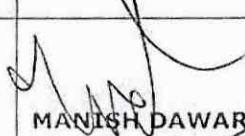
**FORM A**

**Format of covering letter of the annual audit report to be filed with the stock exchanges  
Pursuant to clause 31(a) of the equity listing agreement**

1.	Name of the Company:	Den Networks Limited
2.	Annual Consolidated financial statements for the year ended	31 March, 2015
3.	Type of Audit observation	Un-qualified /Matter of Emphasis  We draw attention to note 43 of the consolidated financial statements wherein it is stated that the Digital Addressable System (DAS) subscription fee has not yet been finalised and the revenue on account of the same has been recognised based on certain estimates which in the management's view are reasonable.  Our opinion is not modified in respect of this matter.
4.	Frequency of observation	Second time
5.	To be signed by	
	Group Chief Financial Officer	 <b>MANISH DWAR</b> Chief Financial Officer
	Managing Director	 <b>SAMEER MANCHANDA</b> Chairman and Managing Director
	Audit Committee Chairman	 <b>AJAYA CHAND</b> Chairman
	Auditor of the Company	Refer our Audit Report dated 11 May 2015 on the consolidated financial statements  For <b>DELOITTE HASKINS &amp; SELLS</b> Chartered Accountants (Firm's Registration No. 015125N)   <b>JITENDRA AGARWAL</b> Partner Membership No. 87104 New Delhi, 31 JULY, 2015

**FORM A**

**Format of covering letter of the annual audit report to be filed with the stock exchanges  
Pursuant to clause 31(a) of the equity listing agreement**

1.	Name of the Company:	Den Networks Limited
2.	Annual Standalone financial statements for the year ended	31 March, 2015
3.	Type of Audit observation	Un-qualified /Matter of Emphasis  We draw attention to note 43 of the standalone financial statements wherein it is stated that the Digital Addressable System (DAS) subscription fee has not yet been finalised and the revenue on account of the same has been recognised based on certain estimates which in the management's view are reasonable.  Our opinion is not modified in respect of this matter.
4.	Frequency of observation	Second time
5.	To be signed by	
	Group Chief Financial Officer	 <b>MANISH DAWAR</b> Chief Financial Officer
	Managing Director	 <b>SAMEER MANCHANDA</b> Chairman and Managing Director
	Audit Committee Chairman	 <b>AJAYA CHAND</b> Chairman
	Auditor of the Company	Refer our Audit Report dated 11 May 2015 on the standalone financial statements of the Company  For <b>DELOITTE HASKINS &amp; SELLS</b> Chartered Accountants (Firm's Registration No. 015125N)  <b>JITENDRA AGARWAL</b> Partner Membership No. 87104 New Delhi, 31 JULY 2015