



27<sup>th</sup> September, 2017

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

**The BSE Limited**  
15<sup>th</sup> Floor, P J Towers  
Dalal Street, Mumbai - 400001

**Sub: - Annual Report for the financial year ended on March 31, 2017**

Dear Sir/ Madam,

This is with reference to Regulation 34 of the SEBI (LODR) Regulations, 2015, please find attached annual report of DEN Networks Limited for the financial year ended on March 31, 2017.

You are requested to take the note of the same in your record.

Thanking you,

**For DEN Networks Limited**

  
Jain Mahajan  
(Company Secretary)  
Membership no. F6887

*Encl: As stated above.*

**DEN Networks Limited**

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase – III, New Delhi – 110 020.

Landline: +91 11 40522200 || Facsimile: +91 11 40522203 || E-Mail : den@denonline.in || www.dennetworks.com



# DEN NETWORKS LIMITED

Annual Report 2016-17



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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. Krishnakumar Gangadharan**

DIN: 00090715

Non - Executive Nominee Director

**Mr. Ajaya Chand**

DIN: 02334456

Non - Executive, Independent Director

**Mr. Atul Sharma**

DIN:00308698

Non -Executive, Independent Director

**Mr. Robindra Sharma**

DIN: 00375141

Non - Executive, Independent Director

**Mr. S. N. Sharma**

Chief Executive Officer

**Mr. Manish Dawar**

Group Chief Financial Officer

**Mr. Jatin Mahajan**

Company Secretary & Compliance Officer

**Registered office**

236, Okhla Industrial Estates, Phase -III, New Delhi-110020

Landline:+ 91-011-40522200 | Fax: + 91-011-40522203

Email: [investorrelations@denonline.in](mailto:investorrelations@denonline.in)

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

Statutory Auditors

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

Cost Auditors

**Registrar & Transfer Agent**

**Karvy Computer Share Private Limited**

46, Karvy House, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500034

Landline: +91-40-23420815 | Fax: +91-40 -23420814

Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)



## DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the Tenth Annual Report on the business & operations of your Company along with the Consolidated & Standalone Audited Financial Statements for the year ended March 31st, 2017.

### FINANCIAL RESULTS

(₹ in million)

Particulars	Consolidated		Standalone	
	Financial year ended March 31, 2017	Financial year ended March 31, 2016	Financial year ended March 31, 2017	Financial year ended March 31, 2016
Net Revenue	11982.58	10058.68	10292.07	9501.07
Operating profit/(loss) before interest, depreciation and taxes	2197.31	(537.71)	840.09	(823.27)
Interest	651.62	790.87	633.93	763.00
Depreciation	2775.00	2061.01	2128.19	1479.49
Net Profit/(loss) before Tax and exceptional items	(1229.31)	(3389.59)	(1922.03)	(3065.76)
Exceptional items	306.81	649.60	645.58	493.30
Share of profit/ (loss) of associates	(29.71)	34.07	-	-
Share of profit/ (loss) of Joint Venture	-	(89.69)	-	-
Net Profit/(loss) before Tax after exceptional items	(1565.83)	(4094.81)	(2567.61)	(3559.06)
Provision for taxes/deferred tax	329.86	218.19	-	7.92
Minority interest	-	-	-	-
<b>Profit/(loss) after tax</b>	<b>(1895.69)</b>	<b>(4313.00)</b>	<b>(2567.61)</b>	<b>(3566.98)</b>

During the year under review, the total revenue of your Company was ₹ 10292.07 million on standalone basis and ₹ 11982.58 millions on consolidated basis as compared to the last year's revenue of ₹ 9501.07 million on standalone basis and ₹ 10058.68 million on consolidated basis respectively. The Post Tax Loss of your Company was ₹ 2567.61 millions on standalone basis and ₹ 1895.69 million on consolidated basis as compared to the last year's Post Tax Loss was ₹ 3566.98 million on standalone basis and ₹ 4313.00 million on consolidated basis respectively.



## INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs has notified Rules for Indian Accounting Standards and also provided a phase-wise roadmap with which, the Indian Accounting Standards shall converge with IFRS. Due to this, India is on a higher pedestal when it comes to financial reporting. The MCA has issued a notification dated 16 February, 2015 announcing the Companies (Indian Accounting Standards) Rules, 2015 for applicability of Indian Accounting Standard (Ind AS). The Ind AS has replaced existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Accounts Rules, 2014. The applicability of Indian Accounting Standard is based on the listing status and the net worth of the company. The Company being a listed company has complied with applicable Indian Accounting Standard.

## CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to applicable Ind AS on Consolidated Financial Statements, 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, 2017.

## TRANSFER TO RESERVES

Your Company has not made any transfer to the Reserves during the financial year 2016-17.

## OPERATIONAL OVERVIEW

DEN Networks Limited ("DEN") is India's largest cable TV distribution company serving 13 million homes in over 250 cities. DEN is a frontrunner in the digitization of Indian cable television and has over 10 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. DEN has significant presence in the strategic & economically important Hindi Speaking Markets (HSM) belt. In Phase-1 and 2, DEN has flagged off and started the packaging exercise. DEN has just completed a two-pack pricing structure that is now fully established in most of Phase-1 and Phase-2 markets. With phase 3 being implemented (except for few states where court has stayed the phase 3 implementation) the digital base goes up to 10.5 million boxes.

**Cable TV Distribution:** DEN has seeded additional 1.1 million Set-up Boxes ("STBs") during financial year 2016-2017. This takes the digital subscribers base of the company to 10.5 million at the end of financial year ended 2017.

**High - Speed Broadband business:** DEN broadband services achieved 868,250 homes passed as on 31 March 2017. Over the course of the year, the operating costs have reduced substantially as a number of re-engineering and procurement related initiatives have been taken to optimize cost. The benefit of conversions of the

Home Passes has started to flow through.

Currently, DEN has a gross base of 177,067 broadband subscribers at the end of financial year 2016-2017 and more than half of them come from non-DEN cable homes. On the usage side, a substantial jump in data consumption as well speed adoption. DEN continuously works towards the profitability of the broadband business through a combination of initiatives both on the revenue side as well as optimizing the operating costs.

**Soccer:** In 2014, DEN had acquired the 'Delhi Dynamos FC' team of the Indian Super League, a new soccer league in India. In previous financial year, the Company had diluted its' 55% equity stake in Delhi Sports & Entertainment Private Limited (Formerly known as Den Sports & Entertainment Pvt. Ltd.) to Wall Street Investment Limited ("Wall Street"). During the year, the Company has transferred another 25% equity stake in Delhi Sports to Wall Street, with said dilution the holding of the company in Delhi Sports has reduced from 45% to 19.29% (Approx.) and shareholding of Wall Street has been increased from 55% to 80%. Delhi Sports owns 100% equity shares of Delhi Soccer Private Limited (formerly known as Den Soccer Private Limited). Delhi Soccer Private Limited is the operating company which controls and manages Delhi Dynamos F.C and holds the franchisee of Delhi to participate in the Indian Super League (ISL).

**TV Commerce:** The Company has sold its entire equity stake in Macro Commerce Private Limited ("Macro") on a going concern basis to Pimex Broadcast Private Limited ("Pimex"). This included the shares hold by DEN and Jasper Infotech Private Limited. Therefore, Pimex has endup holding entire 100% shareholding of Macro. Pimex has taken over all the past, present and future liabilities & dues and shall be responsible for settling the same. Macro was constituted for setting up a television channel to be used as market platform for facilitating the sale of branded and unbranded merchandise.

## Demerger of Broadband Undertaking

During the year, the Company had filed a Composite Scheme of Arrangement between DEN Networks Limited ("the Company") and the Skynet Cable Network Private Limited ("Skynet") (a wholly owned subsidiary of the Company), for demerger of Broadband/Internet Service Provider ("ISP") Business Undertaking into Skynet. The demerger will enable a focused attention on the ISP business and achieve structural and operational efficiency, enhanced competitiveness and greater accountability besides accelerating value creation for shareholders. The separation will allow DEN to focus on the significant growth potential for high speed data and related services in India. The entire process, including obtaining the required regulatory approvals, of both the merger and demerger is expected to be completed by FY 17-18.

## Merger/Demerger of Subsidiaries

The Company has taken initiatives to merge 23 subsidiaries and demerger of cable business of one of the subsidiary company into a wholly owned subsidiary company viz., DEN Futuristic Cable Networks Private Limited. The aim is to strengthen the single brand

leading to a stronger market presence, providing customers with a seamless on-board experience. The structure will result in economies of scale and reduce administrative and regulatory compliances.

### 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 and its rules are 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/index.php/corporate-announcement#corporate-governance>

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

Name of Company	Relationship	Details of Changes	Date of Change
Macro Commerce Pvt. Ltd.	Subsidiary Company	Became subsidiary company pursuant to acquisition of further stake	15-07-2016
Den Digital Cable Network Private Limited	Subsidiary Company	The Company has increased its holding from 51% to 88.57%	06-03-2017
Delhi Sports & Entertainment Private Limited (Formerly known as Den Sports & Entertainment Private Limited)	Wholly owned subsidiary	The Company has diluted further 25% Stake in Delhi Sports. The present holding of the Company is 19.29% (Approx.)	15-10-2016
Macro Commerce Pvt. Ltd.	Subsidiary Company	Sold off its entire stake to Pimex Broadcast Private Limited. This included the shares hold by DEN and Jasper Infotech Private Limited.	05-06-2017

The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company.

### 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's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies. It has continued its efforts to align all its processes and controls with global best practices.

### MEETINGS OF THE BOARD AND COMMITTEES

Eight meetings of the Board of Directors were held during the year. For further details regarding meeting of board and committees, please refer report on Corporate Governance of this Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2017, 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;
- 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, 2017 and of the loss of the Company for the year ended on that date;
- 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;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- 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
- 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

The detailed information about Key Managerial personnel and Directors appointed/resigned during the financial year 2016-2017 is available in 'Corporate Governance Report' and hence not repeated here for the sake of brevity.

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 applicable regulation(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any. The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. The details of 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/index.php/corporate-announcement#corporate-governance>

## BOARD EVALUATION

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

## AUDITORS & AUDITORS' REPORT

At the Annual General Meeting held on September 29, 2015, M/s. Deloitte Haskins & Sells, Chartered Accountants, were appointed as Statutory Auditors of the Company, to hold office till the conclusion of 11<sup>th</sup> Annual General Meeting to be held in the calendar year 2018. In terms of Section 139 of the Companies Act, 2013, the appointment of auditors shall be placed for the ratification at every Annual General Meeting, accordingly, the appointment of M/s. Deloitte Haskins & Sells as Statutory Auditors of the Company, is placed for the ratification by the shareholders of the Company.

The Board has duly examined the Report issued by the Statutory Auditors' of the Company on the Accounts for the financial year ended March 31, 2017. The notes to the financial statements, as presented in this Annual Report, are self explanatory in this regard and hence do not call for any further clarification. The Auditors' Report does not contain any qualification, adverse remark.

## EXTRACTS OF ANNUAL RETURN

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

## 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"**

## CERTIFICATE ON CORPORATE GOVERNANCE FROM PRACTICING COMPANY SECRETARIES

In terms of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Practicing Company Secretaries' certificate on corporate governance is forming part of Corporate Governance Report. The certificate for the financial year ended on March 31, 2017 does not contain any qualification, reservation or adverse remark.

## COST AUDITORS'

M/s Ajay Kumar Singh & Company, Cost Accountants, have been re-appointed as Cost Auditors for the financial year 2017-18, to conduct cost audit of the accounts maintained by the Company. However, necessary approvals, if any, shall be taken as may be required by the applicable provisions. Full particulars of the Cost Auditor are as under:

M/s Ajay Kumar Singh & Company

1/26, 2<sup>nd</sup> Floor, Lalita Park, Laxmi Nagar, Delhi-110092

Tel. No. : 011-45595822; Email ID – info@cmaadvisors.in

(Firm's Membership No. 30778)

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, 2017. The Cost Auditors' Report does not contain any qualification, reservation or adverse remark.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of the loans, guarantees given and investments made by 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. 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/index.php/corporate-announcement#corporate-governance>

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

## CREDIT RATING

The details of credit rating of company are as followed:

Instrument	Rating Agency	Rating	Outlook
Long Term Debt & Cash Credit Facilities	ICRA	A-	Stable
Short Term – Non Fund based limit	ICRA	A2+	Stable
Long Term/Short Term unallocated limit	ICRA	A-	Stable

## MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT

Management’s Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015. It is presented in a separate section forming part of the Annual Report.

## CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility and Governance Committee (CSR&G 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/index.php/corporate-announcement#corporate-governance>

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

The 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

The company has negative average net profit, therefore, the Company has not spent on CSR activities. The Annual Report on

CSR activities is annexed herewith marked as “Annexure C”.

## RISK MANAGEMENT

The Board of Directors have constituted a Risk Management Committee consisting three Directors, 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.	(Ms.) Dr. Archana Niranjana Hingorani	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.

#### 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 DEN ESOP Scheme 2010, was approved by the Shareholders of the Company in its meeting dated September 10, 2010 to issue and grant up-to 52,19,599 Equity Shares to the eligible employees of the Company. There are 8,50,000 ESOP options are in force under DEN ESOP Scheme, 2010.

The DEN ESOP Plan B, 2014 was approved by the shareholders of the Company through postal ballot on January 05, 2015 to grant and issue up-to 89,09,990 Equity Shares (i.e., 5% of issued and paid up capital) to the eligible employees of the Company. Out of said

5%, 2.5% was approved through purchase from secondary market (DEN ESOP Plan A -2014) and 2.5% through new allotment (2.5%, DEN ESOP Plan B -2014). The Shareholders of the Company vide approval through postal ballot dated June 23<sup>rd</sup>, 2015 terminated the DEN ESOP Plan A -2014 and increased the same no. of shares under DEN ESOP Plan B -2014. Hence, the total no. of shares under DEN ESOP Plan B -2014 has been increased to 89,09,990. There are 29,50,000 ESOP options are in force under DEN ESOP Plan B, 2014.

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

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

The details of the ESOP granted up-to the year ended March 31, 2017 are as follows:

Approval date	DEN ESOP Plan B-2014	Date of Grant	No. of shares approved by the Board/ committee
July 18, 2016	Grant of options to CEO	July 19, 2016	17,50,000
July 03, 2015	Grant of options to Senior Management/ employees of subsidiaries	July 03, 2015	4,00,000
Jan. 06, 2015	Grant of options to Group CFO	Feb. 10, 2015	8,00,000
<b>Total (A)</b>			<b>29,50,000</b>
Approval date	DEN ESOP Scheme-2010	Date of Grant	No. of shares approved by the Board/ committee
Feb. 13, 2015	Grant of options to Senior Management	Feb. 13, 2015	8,50,000
Total (B)			8,50,000
<b>Grant Total (A)+(B)</b>			<b>38,00,000</b>

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.

#### PREVENTION OF INSIDER TRADING:

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

#### 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 as required in Rule 5(1) and details of employees of the Company as required in Rule 5(2) of (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request.

In terms of Section 136 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 as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee. However, during the year Company has not received any complaint of harassment.

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

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

Dematerialization credit of equity shares of ₹10 each, for allottees could not happen till date, due to incorrect particulars of account holders. The Company through its Registrar and Share Transfer Agent viz., M/s. Karvy Computershare Private Limited, had sent several reminders to these allottees and in the absence of any response from any of them, had finally transferred the aforesaid equity shares to 'Den Networks Limited – Unclaimed Securities Suspense Account' as required under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, following is the status of outstanding shares lying in the aforesaid account as on March 31, 2017:

<b>Particulars</b>	<b>No. of Shareholders</b>	<b>No. of Equity Shares</b>
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1st April, 2016 / transferred to Account during the year ended 31 <sup>st</sup> March, 2017	4	309
Number of shareholders who approached to the Company / RTA for transfer of shares from Unclaimed	Nil	Nil
Suspense Account during the year ended 31st March 2017		
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the year ended 31st March 2017	Nil	Nil
Aggregate Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. as on 31st March, 2017.	4	309

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

### **CORPORATE GOVERNANCE**

Corporate Governance is about maximizing shareholders value legally, ethically and sustainably. At DEN, the purpose of corporate governance is to entrust justice for every shareholder. We believe sound Corporate Governance is critical in enhancing and retaining stakeholders trust. Our priority is attainment of all performance goals with integrity. The Company is committed to maintain the highest Standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. A certificate from practicing Company Secretary regarding compliance of the conditions of Corporate Governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is attached to the Report on Corporate Governance. Certificate of the CEO/CFO, , 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 Committees, 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 is given in "Notes to the financial statements" forming part of the Audited Annual Accounts, the summary of foreign exchange earnings and outgo are mentioned below:

	(₹ in million)
Foreign Exchange Earnings :-	NIL
Foreign Exchange Outgo :-	1,214.60

#### **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)

#### **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: 01 August, 2017**

## INDEX OF ANNEXURE TO DIRECTORS' REPORT

Annexure	Contents
A	Annual Return Extracts in MGT-9
B	MR-3 Secretarial Audit Report
C	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, 2017**

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	:	L92490DL2007PLC165673
ii) Registration Date	:	10/07/2007
iii) Name of the Company	:	DEN Networks Limited
iv) Category / Sub-Category of the Company	:	Company Limited by Shares
v) Address of the registered office and contact details	:	236, Okhla Industrial Estate, Phase-III, New Delhi-110020
vi) Whether listed company	:	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent	:	M/s Karvy Computershare Private Limited 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	91.69% (Standalone basis)

III.	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:</b> As per	Attachment 1
IV.	<b>SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>	
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V	<b>INDEBTEDNESS</b>	Attachment 7
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VII	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	Attachment 11

**Attachment 1 to Annexure A**

S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Pref. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
1	Den Futuristic Cable Networks Private Limited	U28910DL2007PTC169149	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
2	Den Entertainment Network Private Limited	U92112DL1998PTC091569	C-148, Mayapuri Industrial Area Phase II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
3	DEN Digital Entertainment Gujarat Private Limited	U32204DL2007PTC166714	C-148, Mayapuri Industrial Area Phase II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
4	Aster Entertainment Private Limited	U72300DL2007PTC168269	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)

S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Pref. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
5	Shine Cable Network Private Limited	U64204DL2008PTC183749	C-148, Mayapuri Industrial Area, Phase-II New Delhi - 110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
6	Mahavir Den Entertainment Private Limited	U74900DL2009PTC192223	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.15	100.00	Direct Subsidiary	Section 2 (87) (i) & (ii)
7	DEN BCN Suncity Network Private Limited	U45400DL2007PTC171510	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.02	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
8	DEN Prayag Cable Networks Private Limited	U32204DL2007PTC167574	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	75.00	-	Subsidiary of Direct Subsidiary viz., DEN Ambey	Section 2 (87) (i) & (ii)
9	DEN Crystal Vision Network Private Limited	U72300DL2007PTC171606	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.01	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
10	DEN Harsh Mann Cable Network Private Limited	U32200DL2007PTC171679	C-148, Mayapuri Industrial Area Phase II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
11	Den Kashi Cable Network Private Limited	U15122DL2007PTC169854	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	100.00	Direct Subsidiary	Section 2 (87) (i) & (ii)
12	DEN Krishna Cable TV Network Private Limited	U92130DL2007PTC171613	C-148, Mayapuri Industrial Area Phase II, New Delhi-110064	74.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
13	Den Mahendra Satellite Private Limited	U32200DL2007PTC171687	C-148, Mayapuri Industrial Area Phase II, New Delhi-110064	60.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
14	Den Mod Max Cable Network Private Limited	U45400DL2007PTC171553	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
15	DEN Pawan Cable Network Private Limited	U72900DL2007PTC171513	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	63.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
16	Den Pradeep Cable Network Private Limited	U64202DL2008PTC172764	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	50.99	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
17	Den Prince Network Private Limited	U72900DL2007PTC171605	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
18	DEN Varun Cable Network Private Limited	U64200DL2008PTC172193	C-148, Mayapuri Industrial Area, Phase-II New Delhi 110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
19	DEN Patel Entertainment Network Private Limited	U92190GJ2008PTC052588	45/299, Gujarat Housing Board, Palanpur Patiya, Rander Road, Surat Gujarat – 395 009	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
20	Mahadev Den Cable Network Private Limited	U92190GJ2008PTC052585	A-1, 4th Floor, Samarth Park, Chhapra Bhattha Road, Amroli Char Rasta, Surat, Gujarat – 395 004	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
21	Mahadev Den Network Private Limited	U92490DL2008PTC307850	C-148, Mayapuri Industrial Area, Phase-II, New Delhi 110064	94.72	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
22	Den-Manoranjan Satellite Private Limited	U93132PN2000PTC014507	Plot No 212 Sector 21yamunanagar Nigdi, Pune, Maharashtra- 411 044	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
23	Meerut Cable Network Private Limited	U92132UP2003PTC027856	2nd Floor, Niranjan Vatika, Near Bachha Park Begum Bridge, Meerut, Uttar Pradesh - 250002	51.00	100.00	Direct Subsidiary	Section 2 (87) (i) & (ii)
24	Shree Siddhivinayak Cable Network Private Limited	U74999GJ2006PTC047655	304 Param Complex Nr. Vmcgas Office Dandi Bazar Baroda, 1, Vadodara, Gujarat	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
25	Radiant Satellite (India) Private Limited	U72200RJ2006PTC022867	106, Vallabh Bari, Gumanpura, Kota, Rajasthan – 324 007	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)



S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Prof. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
26	Den Mewar Rajdev Cable Network Private Limited	U72900DL2008PTC174717	C-148, Mayapuri Industrial Area, Phase-II, New Delhi - 110064	99.51	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
27	Den Radiant Satellite Cable Network Private Limited	U32300DL2008PTC174699	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	65.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
28	Den Enjoy Cable Networks Private Limited	U32204DL2007PTC168283	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
29	Den Satellite Cable TV Network Private Limited	U32200DL2007PTC171688	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
30	Den Maa Sharda Vision Cable Networks Private Limited	U22210DL2007PTC169459	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
31	Den Fateh Marketing Private Limited	U52599UP2007PTC032860	C/O Singh Automobile, Opposite Nagar Nigam, Bareilly-243001	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
32	Den Jai Ambey Vision Cable Private Limited	U22130DL2008PTC176266	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
33	Den Classic Cable TV Services Private Limited	U45400DL2008PTC172523	C-148, Mayapuri Industrial Area Phase II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
34	Den Digital Cable Network Private Limited	U45400DL2008PTC174017	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	88.57	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
35	Den F K Cable Tv Network Private Limited	U72900DL2008PTC175841	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
36	Den Shiva Cable Network Private Limited	U92100DL2008PTC176512	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	87.27	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
37	Den Montooshah Network Private Limited	U92130DL2008PTC180783	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
38	Den RIS Cable Network Private Limited	U72900DL2008PTC172190	C-148, Mayapuri Industrial Area, Phase-II, New Delhi 110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
39	Den Sky Media Network Private Limited	U64202DL2008PTC308266	C-148, Mayapuri Industrial Area Phase-II, New Delhi 110064	99.33	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
40	Den Bindra Network Private Limited	U32200DL2008PTC179490	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
41	Den Nashik City Cable Network Private Limited	U92190MH2007PTC171273	1st Floor, Below Vighnagar Hospital Mayur Plaza, Near Dwarka Nashik, Maharashtra - 422001	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
42	Den Supreme Satellite Vision Private Limited	U74900MH2008PTC181400	710, Prabhat Centre Annexe, Sector 6, CBD Belapur, Navi Mumbai, Thane, Maharashtra -400 614	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
43	Den MCN Cable Network Private Limited	U64200DL2008PTC176265	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
44	Drashti Cable Network Private Limited	U74120DL2008PTC173551	C-148, Mayapuri Industrial Area, Phase-II, New Delhi – 110 064	51.01	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
45	Den Ashu Cable Private Limited	U74900DL2008PTC182001	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
46	DEN Ambey Cable Networks Private Limited	U92130DL2007PTC167995	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	61.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)

S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Pref. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
47	Den Aman Entertainment Private Limited	U22300DL2008PTC182743	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
48	Den Budaun Cable Network Private Limited	U64203DL2008PTC180352	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
49	Den Narmada Network Private Limited	U74120DL2008PTC176490	C-148, Mayapuri Industrial Area, Phase-II, New Delhi -110064	97.11	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
50	Den Bellary City Cable Private Limited	U31300DL2008PTC184082	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
51	DEN Malayalam Telenet Private Limited	U64204KL2004PTC016811	II Floor, Parappilly Buildings, S.A Road, Panampilly Road, Cochin, Kerala – 682 036	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
52	Den Elgee Cable Vision Private Limited	U32200DL2008PTC181773	C-148, Mayapuri Industrial Area, Phase-II, New Delhi 110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
53	Den Rajkot City Communication Private Limited	U64204GJ2006PTC049169	3rd Floor, Rameshwar Appartment 4-Manhar Plot, Mangala Road, Rajkot, Gujarat - 360001	50.98	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
54	Den Malabar Cable Vision Private Limited	U32304DL2008PTC180671	C-148, Mayapuri Industrial Area, Phase-II New Delhi – 110 064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
55	Den Infoking Channel Entertainers Private Limited	U64200DL2008PTC183102	C-148, Mayapuri Industrial Area, Phase II, New Delhi – 110 064	96.88	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
56	Den Ucn Network India Private Limited	U92131DL2009PTC310521	C-148, Mayapuri Industrial Area, Phase-II, New Delhi -110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
57	Galaxy Den Media & Entertainment Private Limited	U64204GJ2008PTC054775	Jay, Shri Nivas Colony – 3, Summair Club Road, Jamnagar, Gujarat – 361,005	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
58	Fortune (Baroda) Network Private Limited	U72200GJ2003PTC043302	At C 301, Yesha Apartmentnr, Ljain Temple, Manjalpur, Baroda, Vadodara, Gujarat - 390011	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
59	Bali Den Cable Network Private Limited	U64204DL2008PTC183656	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.04	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
60	Den Citi Channel Private Limited	U92130DL2008PTC180353	C-148, Mayapuri Industrial Area, Phase-II, New Delhi – 110 064	51.00	100.00	Direct Subsidiary	Section 2 (87) (i) & (ii)
61	Amogh Broad Band Services Private Limited	U64202DL2004PTC310427	C-148, Mayapuri Industrial Area, Phase-II, New Delhi - 110064	100.00	100.00	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
62	Fab Den Network Private Limited	U64200DL2008PTC185866	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
63	Den Satellite Network Private Limited	U74990MH2008PTC177440	401/402, Sentinel, above Pizza Hut, Aadishankar Acharya Marg, Hiranandani Garden, Powai, Mumbai, Maharashtra - 400076	50.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
64	United Cable Network (Digital) Private Limited	U64204GJ2008PTC054677	G-9, Shreeji Ashtha Avenues, Near A. C. Nilsen, Opp Balaji Hospital, Ellora Park, Vadodara, Gujarat – 390 007	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
65	Shri Ram Den Network Private Limited	U64204GJ2008PTC053704	Rayon Housing Society No. 2 Building No.5, Block No. 51 Veraval Junagadh, Gujarat – 362 226	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
66	Den Krishna Vision Private Limited	U64204DL2008PTC307993	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
67	Cab-i-Net Communications Private Limited	U64204KL2003PTC016398	R No 24, Chirakkadav Panchayath Shopping Complex, Ponkunnam Kanjirappally, Kottayam, Kerala – 686 506	51.02	-	Direct Subsidiary	Section 2 (87) (i) & (ii)

S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Prof. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
68	Den Sariga Communication Private Limited	U92100KL2010PTC025881	Sunaina Building, Moonampadi, Malappuram, Kerala - 676505	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
69	Den Sahyog Cable Network Private Limited	U64204GJ2008PTC054811	A-11, Alnoor Society, Near G.E.B Power House, National Highway, Balasinor Nadiad Kheda - 388255	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
70	Den Kattakada Telecasting and Cable Services Private Limited	U64204KL2010PTC026349	5/229, Punnamkonam, Kachani, Vattiyookavu Trivandrum, Thiruvananthapuram – 695013	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
71	Den A.F. Communication Private Limited	U74120DL2008PTC185868	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
72	Sree Gokulam Starnet Communication Private Limited	U92132TN2000PTC046037	66, Arcot Roadkodambakkam, Chennai - 600 024	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
73	Big Den Entertainment Private Limited	U92100DL2010PTC211666	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
74	Den Ambey Citi Cable Network Private Limited	U22200DL2007PTC169460	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., DEN Ambey	Section 2 (87) (i) & (ii)
75	Den Deva Cable Network Private Limited	U64202DL2008PTC172403	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., DEN Ambey	Section 2 (87) (i) & (ii)
76	Den Ambey Jhansi Cable Network Private Limited	U64203DL2008PTC183964	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., DEN Ambey	Section 2 (87) (i) & (ii)
77	Den Ambey Farukabad Cable Network Private Limited	U64203DL2008PTC183996	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., DEN Ambey	Section 2 (87) (i) & (ii)
78	Star Channel Den Network Private Limited	U64204DL2008PTC183868	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., DEN Ambey	Section 2 (87) (i) & (ii)
79	Astonishing Network Private Limited (formerly DEN Nanak)	U64200DL2008PTC173372	C-148, Mayapuri Industrial Area, Phase-II, New Delhi – 110 064	100.00	-	Subsidiary of Direct Subsidiary viz., Den Futuristic	Section 2 (87) (i) & (ii)
80	Den Saya Channel Network Private Limited	U72900DL2008PTC178181	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Den Futuristic	Section 2 (87) (i) & (ii)
81	Den Faction Communication System Private Limited	U32202DL2008PTC176973	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Den Futuristic	Section 2 (87) (i) & (ii)
82	Fun Cable Network Private Limited	U92490DL2010PTC211506	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Den Futuristic	Section 2 (87) (i) & (ii)
83	Den Enjoy Navaratan Network Private Limited	U64200DL2008PTC173660	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., DEN Enjoy Cable	Section 2 (87) (i) & (ii)
84	Kishna DEN Cable Networks Private Limited	U74900DL2009PTC188100	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., DEN Kashi	Section 2 (87) (i) & (ii)
85	Divya Drishti Den Cable Network Private Limited	U74900DL2009PTC192059	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., DEN Kashi	Section 2 (87) (i) & (ii)

S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Pref. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
86	DEN New Broad Communication Private Limited	U93090MH2010PTC202739	P P Chambers, 3rd Floor, Near KDMC Bhagat Singh Path, Dombivali East, Thane, Maharashtra – 421 201	51.00	-	Subsidiary of Direct Subsidiary viz., DEN Satellite	Section 2 (87) (i) & (ii)
87	Kerela Entertainment Private Limited w.e.f, 03-06-2011 ( formerly known as Den BMC Cable Network Private Limited)	U64204DL2008PTC183969	C-148, Mayapuri Industrial Area, Phase-II New Delhi 110064	100.00	-	WOS of Direct Subsidiary viz., Den Entertainment	Section 2 (87) (i) & (ii)
88	Rajasthan Entertainment Private Limited	U92190DL2010PTC211326	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., Den Entertainment	Section 2 (87) (i) & (ii)
89	Uttar Pradesh Digital Cable Network Private Limited (formerly Delhi Entertainment Private Limited)	U92490DL2011PTC212548	C-148, Mayapuri Industrial Area, Phase-II, New Delhi – 110064	100.00	-	WOS of Direct Subsidiary viz., Den Entertainment	Section 2 (87) (i) & (ii)
90	DEN Enjoy SBNM Cable Network Private Limited(Foremerly known as Hillwoods Cable Network Private Limited)	U92490DL2011PTC212146	C-148, Mayapuri Industrial Area, Phase-II, New Delhi -110064	51.00	-	Subsidiary of Direct Subsidiary viz., DEN Enjoy Cable	Section 2 (87) (i) & (ii)
91	Sanmati DEN Cable TV Network Private Limited	U22190DL2011PTC222875	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
92	Sanmati Entertainment Private Limited	U92490DL2011PTC215278	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
93	Crystal Vision Media Private Limited	U32200DL2008PTC178126	E-7, IInd Floor, Kalkaji, Delhi -110 019	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
94	Den Steel City Cable Network Private Limited	U92100DL2011PTC212150	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
95	Multi Channel Cable Network Private Limited	U22100DL2011PTC223086	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
96	Victor Cable Tv Network Private Limited	U92190DL2011PTC214185	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
97	Gemini Cable Network Private Limited	U92190DL2011PTC214388	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	100.00	Direct Subsidiary	Section 2 (87) (i) & (ii)
98	Matrix Cable Network Private Limited	U92190DL2011PTC214646	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
99	Ambika DEN Cable Network Private Limited	U92490DL2011PTC214705	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
100	Saturn Digital Cable Private Limited	U92100DL2011PTC214655	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., DEN Ambey	Section 2 (87) (i) & (ii)
101	Multi Star Cable Network Private Limited	U32201DL2011PTC222729	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
102	DEN VM Magic Entertainment Private Limited	U93000UP2011PTC045043	First Floor , Harsh Plaza 4, D Meerabai Marg, Lucknow, Uttar Pradesh – 226 001	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
103	Antique Communications Private Limited	U22210DL2011PTC225171	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)



S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Pref. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
104	Bhadohi DEN Entertainment Private Limited	U92490DL2011PTC216382	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., DEN Kashi	Section 2 (87) (i) & (ii)
105	Capital Entertainment Private Limited (formerly known as Uttar Pradesh Entertainment Private Limited)	U92190DL2011PTC212462	C-148, Mayapuri Industrial Area, Phase-II, New Delhi 110064	100.00	-	Subsidiary of Direct Subsidiary viz., Den Entertainment	Section 2 (87) (i) & (ii)
106	Disk Cable Network Private Limited	U93000DL2011PTC228033	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
107	Shaakumabari Den Media Private Limited	U92490DL2011PTC224361	C-148, Mayapuri Industrial Area, Phase-II, New Delhi - 110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
108	Eminent Cable Network Private Limited	U92400DL2012PTC231558	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	56.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
109	Silverline Television Network Private Limited	U93000WB2011PTC169094	P-31 Nani Gopal Roy Chowdhury Avenue, Entally, Kolkata, West Bengal-700014	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
110	Ekta Entertainment Network Private Limited	U92100DL2010PTC210266	C-148, Mayapuri Industrial Area, Phase-II, New Delhi – 110 064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
111	DEN STN Television Network Private Limited	U74300DL2012PTC230263	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Disk Cable	Section 2 (87) (i) & (ii)
112	Devine Cable Network Private Limited	U22211DL2011PTC223652	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
113	Nectar Entertainment Private Limited	U22100DL2011PTC224182	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
114	Trident Entertainment Private Limited	U92130DL2012PTC231610	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
115	DEN ADN Network Private Limited	U74999DL2011PTC227604	11/15, IIRD Floor, East Patel Nagar, New Delhi - 110008	51.00	-	Direct Subsidiary	Section 2 (87) (ii)
116	CCN DEN Network Private Limited	U74900DL2011PTC228433	C-1/9, Krishan Nagar, New Delhi -110051	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
117	Rose Entertainment Private Limited	U92190DL2012PTC232947	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
118	Multitrack Cable Network Private Limited	U93030UP2012PTC050744	75, Ram Nagar Colony, Shahjahanpur, Uttar Pradesh-242001	51.01	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
119	Blossom Entertainment Private Limited	U92490DL2012PTC231482	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
120	Glimpse Communications Private Limited	U93000DL2011PTC225601	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
121	Indradhanush Cable Network Private Limited	U92490DL2012PTC243484	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
122	Adhunik Cable Network Private Limited	U92490DL2012PTC243760	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
123	Pee Cee Cable Network Private Limited	U64200JH2013PTC000961	Anantpur, Ranchi, Jharkhand – 834 001	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
124	Libra Cable Networks Private Limited	U92490DL2012PTC246586	C-148 Mayapuri Industrial Area, Phase-II, New Delhi 110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)

S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Pref. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
125	Srishti DEN Networks Private Limited (formerly known as Platinum Cable TV Network Private Limited)	U92100DL2012PTC235925	C-148, Mayapuri Industrial Area Phase-II, New Delhi 110064	51.00	-	Subsidiary of Direct Subsidiary viz., Den Entertainment	Section 2 (87) (i) & (ii)
126	Maitri Cable Network Private Limited	U92100DL2013PTC249134	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Disk Cable	Section 2 (87) (i) & (ii)
127	Melody Cable Network Private Limited	U92490DL2013PTC249148	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., Den Ambey	Section 2 (87) (i) & (ii)
128	Mountain Cable Network Private Limited	U92130DL2013PTC248531	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Den Ambey	Section 2 (87) (i) & (ii)
129	Portrait Cable Network Private Limited	U92100DL2013PTC249351	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	WOS of Direct Subsidiary viz., Den Ambey	Section 2 (87) (i) & (ii)
130	Skynet Cable Network Private Limited	U74140DL2011PTC228312	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	100.00	-	Wholly Owned Subsidiary	Section 2 (87) (i) & (ii)
131	Mansion Cable Network Private Limited	U92490DL2012PTC246019	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	66.00	100.00	Direct Subsidiary	Section 2 (87) (i) & (ii)
132	Den Discovery Digital Networks Private Limited	U74900MH2013PTC240517	Office No.103, Mayur Plaza, 1st Floor, Wadala Naka, Nashik, Maharashtra – 422 002	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
133	Jhankar Cable Network Private Limited	U92490DL2012PTC243921	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
134	DEN ABC Cable Network Ambarnath Private Limited	U93000DL2013PTC262119	C-148, Mayapuri Industrial Area, Phase-II New Delhi 110064	51.00	-	Subsidiary of Direct Subsidiary viz., DEN Satellite	Section 2 (87) (i) & (ii)
135	Den Premium Multilink Cable Network Private Limited	U74990MH2010PTC201849	Shop No. 5, Kapote Meher Market, Wadala Naka, Nashik, Maharashtra – 422 001	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
136	Konark IP Dossiers Private Limited	U22222MH2010PTC199749	1st Floor, Himath Plaza, Powai Chowk, Ulhasnagar, Thane, Maharashtra - 421003	50.00	-	Subsidiary of Direct Subsidiary viz., DEN Satellite	Section 2 (87) (i) & (ii)
137	Scorpio Cable Network Private Limited	U92490DL2012PTC246211	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
138	Angel Cable Network Private Limited	U92100DL2013PTC258418	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Eminent Cable	Section 2 (87) (i) & (ii)
139	Desire Cable Network Private Limited	U93000DL2013PTC261455	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
140	Marble Cable Network Private Limited	U92412DL2013PTC258465	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
141	Augment Cable Network Private Limited	U92120DL2013PTC258409	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Direct Subsidiary	Section 2 (87) (i) & (ii)
142	ABC Cable Network Private Limited	U93000DL2013PTC262119	C-148, Mayapuri Industrial Area, Phase-II, New Delhi-110064	51.00	-	Subsidiary of Direct Subsidiary viz., Eminent Cable	Section 2 (87) (i) & (ii)



S. No.	Name of Company	CIN No.	Registered office	Equity Holding of DEN	Pref. Holding of DEN	Holding/ Subsidiary/ Associate	Applicable Section
143	DEN MTN Star Vision Networks Private Limited	U64204KL2013PTC033302	4/398, Irimpanam -Eroor Road, Irimpanam Tripunithura Municipality Ernakulam , Kerala - 682309	51.00	-	Subsidiary of Direct Subsidiary viz., Den Malayalam Telenet	Section 2 (87) (i) & (ii)
144	Macro Commerce Private Limited*	U93000DL2014PTC264313	C-148, Mayapuri Industrial Area Phase-II, New Delhi 110064	82.87	17.13	Direct Subsidiary	Section 2 (87) (i) & (ii)

\*Till June 04, 2017

## Attachment 2 to Annexure A

### Category-wise Share Holding

S. No.	CATEGORY OF SHAREHOLDER	No. of Shares held at the beginning of the year (01-04-2016)				No. of Shares held at the end of the year (31-03-2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)									
(A)	<b>PROMOTER AND PROMOTER GROUP</b>									
(1)	INDIAN									
(a)	Individual /HUF	508,07,950	-	508,07,950	28.52	508,07,950	-	508,07,950	26.19	(2.33)
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	205,52,470	-	205,52,470	11.53	205,52,470	-	205,52,470	10.59	(0.94)
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(1) :</b>	<b>713,60,420</b>	<b>-</b>	<b>713,60,420</b>	<b>40.05</b>	<b>713,60,420</b>	<b>-</b>	<b>713,60,420</b>	<b>36.78</b>	<b>(3.27)</b>
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(2) :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total A=A(1)+A(2)</b>	<b>713,60,420</b>	<b>-</b>	<b>713,60,420</b>	<b>40.05</b>	<b>713,60,420</b>	<b>-</b>	<b>713,60,420</b>	<b>36.78</b>	<b>(3.27)</b>
(B)	<b>PUBLIC SHAREHOLDING</b>									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	21,159	-	21,159	0.01	-	-	-	-	(0.01)
(b)	Financial Institutions /Banks	18,96,149	-	18,96,149	1.06	19,16,644	-	19,16,644	0.99	(0.07)
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	391,90,663	-	391,90,663	21.99	377,83,785	-	377,83,785	19.47	(2.52)
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Others	408,48,110	-	408,48,110	22.93	566,74,149	-	566,74,149	29.21	6.28
	<b>Sub-Total B(1) :</b>	<b>819,56,081</b>	<b>-</b>	<b>819,56,081</b>	<b>45.99</b>	<b>963,74,578</b>	<b>-</b>	<b>963,74,578</b>	<b>49.67</b>	<b>3.68</b>
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	129,52,026	-	129,52,026	7.27	125,72,272	-	125,72,272	6.48	(0.79)
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	19,14,502	74,412	19,88,914	1.12	26,47,643	70,927	27,18,570	1.40	0.28

S. No.	CATEGORY OF SHAREHOLDER	No. of Shares held at the beginning of the year (01-04-2016)				No. of Shares held at the end of the year (31-03-2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	87,02,975	1,37,790	88,40,765	4.96	98,94,383	1,37,790	100,32,173	5.17	0.21
(c)	Others	-	-	-	-	-	-	-	-	-
	FOREIGN BODIES	-	-	-	-	-	-	-	-	-
	CLEARING MEMBERS	42,704	-	42,704	0.02	55,579	-	55,579	0.03	0.01
	NON RESIDENT INDIANS	8,58,608	-	8,58,608	0.48	6,06,053	-	6,06,053	0.31	(0.17)
	TRUSTS	1,64,000	-	1,64,000	0.09	3,00,800	-	3,00,800	0.16	0.07
	NBFC REGISTERED WITH RBI	36,286	-	36,286	0.02	5,400	-	5,400	0.00	(0.02)
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(2) :</b>	<b>246,71,101</b>	<b>2,12,202</b>	<b>248,83,303</b>	<b>13.96</b>	<b>260,82,130</b>	<b>2,08,717</b>	<b>262,90,847</b>	<b>13.55</b>	<b>(0.41)</b>
	<b>Total B=B(1)+B(2) :</b>	<b>1066,27,182</b>	<b>2,12,202</b>	<b>1068,39,384</b>	<b>59.95</b>	<b>1224,56,708</b>	<b>2,08,717</b>	<b>1226,65,425</b>	<b>63.22</b>	<b>3.27</b>
	<b>Total (A+B) :</b>	<b>1779,87,602</b>	<b>2,12,202</b>	<b>1781,99,804</b>	<b>100.00</b>	<b>1938,17,128</b>	<b>2,08,717</b>	<b>1940,25,845</b>	<b>100.00</b>	<b>-</b>
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
	<b>Total C :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A+B+C) :</b>	<b>1779,87,602</b>	<b>2,12,202</b>	<b>1781,99,804</b>	<b>100.00</b>	<b>1938,17,128</b>	<b>2,08,717</b>	<b>1940,25,845</b>	<b>100.00</b>	<b>-</b>

#### Attachment 3 to Annexure A

##### Shareholding of Promoters and promoters' group

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	SAMEER MANCHANDA	466,54,550	26.18	Nil	466,54,550	24.05	Nil	(2.13)
2	KAVITA MANCHANDA	37,57,500	2.11	Nil	37,57,500	1.94	Nil	(0.17)
3	SANJEEV MANCHANDA	3,95,900	0.22	Nil	25,000	0.01	Nil	(0.21)
4	VANDANA MANCHANDA	-	-	N/A	3,70,900	0.19	Nil	0.19
5	LUCID SYSTEMS PRIVATE LIMITED	160,00,000	8.98	3.09	160,00,000	8.25	4.23	(0.73)
6	VERVE ENGINEERING PRIVATE LIMITED	45,29,670	2.55	Nil	45,29,670	2.33	Nil	(0.22)
7	ACCESS EQUITY PVT LTD	22,800	0.01	Nil	22,800	0.01	Nil	(0.00)
	<b>TOTAL :</b>	<b>713,60,420</b>	<b>40.05</b>	<b>3.09</b>	<b>713,60,420</b>	<b>36.78</b>	<b>4.23</b>	<b>(3.27)</b>

Percentage rounded off up to two decimal place

#### Attachment 4 to Annexure A

##### Change in Promoters' Shareholding

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Sale/ Purchase (No. of shares)	Reason	Cumulative Shareholding during the Year	
	No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
SAMEER MANCHANDA	466,54,550	26.18	31/03/2016			466,54,550	26.18
			31/03/2017			466,54,550	24.05
LUCID SYSTEMS PRIVATE LIMITED	160,00,000	8.98	31/03/2016			160,00,000	8.98
			31/03/2017			160,00,000	8.25
VERVE ENGINEERING PRIVATE LIMITED	45,29,670	2.54	31/03/2016			45,29,670	2.54
			31/03/2017			45,29,670	2.33
KAVITA MANCHANDA	37,57,500	2.11	31/03/2016			37,57,500	2.11
			31/03/2017			37,57,500	1.94
SANJEEV MANCHANDA	3,95,900	0.22	31/03/2016			3,95,900	0.22



Name of the Shareholder	Shareholding at the beginning of the Year		Date	Sale/ Purchase (No. of shares)	Reason	Cumulative Shareholding during the Year	
	No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
			17/03/2017	(1,00,000)	Sale	2,95,900	0.15
			21/03/2017	(70,900)	Sale	2,25,000	0.12
			23/03/2017	(1,00,000)	Sale	1,25,000	0.06
			29/03/2017	(1,00,000)	Sale	25,000	0.01
			31/03/2017			25,000	0.01
VANDANA MANCHANDA	-	-	31/03/2016			-	-
			17/03/2017	1,00,000	Purchase	1,00,000	0.05
			21/03/2017	70,900	Purchase	1,70,900	0.09
			23/03/2017	1,00,000	Purchase	2,70,900	0.14
			29/03/2017	1,00,000	Purchase	3,70,900	0.19
			31/03/2017			3,70,900	0.19
ACCESS EQUITY PVT LTD	22,800	0.01	31/03/2016			22,800	0.01
			31/03/2017			22,800	0.01

**Attachment 5 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 (01/04/2016/at the end of year 31/03/2017)	% 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.	288,26,713	16.18	01/04/2016	-	-	288,26,713	16.18
		-	-	18/11/2016	130,02,217	Purchase	418,28,930	21.56
		418,28,930	21.56	31/03/2017	-	-	418,28,930	21.56
2	STANDARD CHARTERED IL AND FS ASIA INFRASTRUCTURE GROWTH FUND COMPANY PTE LIMITED	58,40,009	3.28	01/04/2016	Nil	No Change	58,40,009	3.28
		58,40,009	3.01	31/03/2017	-	-	58,40,009	3.01
3	ACACIA PARTNERS, LP	44,20,000	2.48	01/04/2016	Nil	No Change	44,20,000	2.48
		44,20,000	2.28	31/03/2017	-	-	44,20,000	2.28
4	BARON EMERGING MARKETS FUND	37,52,679	2.11	01/04/2016	Nil	No Change	37,52,679	2.11
		37,52,679	1.93	31/03/2017	-	-	37,52,679	1.93
5	THE SPRUCE HOUSE PARTNERSHIP LP	37,10,451	2.08	01/04/2016	Nil	No Change	37,10,451	2.08
		37,10,451	1.91	31/03/2017	-	-	37,10,451	1.91
6	ACACIA INSTITUTIONAL PARTNERS, LP	36,40,000	2.04	01/04/2016	Nil	No Change	36,40,000	2.04
		36,40,000	1.88	31/03/2017	-	-	36,40,000	1.88
7	EMERGING INDIA FOCUS FUNDS	35,34,223	1.98	01/04/2016	-	-	35,34,223	1.98
		-	-	17/02/2017	(44,882)	Sale	34,89,341	1.80
		-	-	24/02/2017	(97,743)	Sale	33,91,598	1.75
		-	-	03/03/2017	(9,41,947)	Sale	24,49,651	1.26
		24,49,651	1.26	31/03/2017	-	-	24,49,651	1.26
8	ROUTE ONE OFFSHORE MASTER FUND L.P.	32,16,031	1.80	01/04/2016	Nil	No Change	32,16,031	1.80
		32,16,031	1.66	31/03/2017	-	-	32,16,031	1.66

S. No.	Name of the Shareholder	Shareholding					Cumulative shareholding during the year	
		No of Shares held at the beginning (01/04/2016/at the end of year 31/03/2017)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No of Shares	% of total shares of the company
9	ACCOLADE HOLDINGS PRIVATE LIMITED	29,74,527	1.67	01/04/2016	-	-	29,74,527	1.67
		-	-	05/08/2016	(2,000)	Sale	29,72,527	1.67
		-	-	12/08/2016	(6,000)	Sale	29,66,527	1.66
		-	-	19/08/2016	(500)	Sale	29,66,027	1.66
		-	-	26/08/2016	(15,203)	Sale	29,50,824	1.66
		-	-	23/09/2016	(23,000)	Sale	29,27,824	1.64
		-	-	30/09/2016	(6,500)	Sale	29,21,324	1.64
		-	-	07/10/2016	(9,661)	Sale	29,11,663	1.63
		-	-	14/10/2016	(29,751)	Sale	28,81,912	1.62
		-	-	21/10/2016	(7,98,551)	Sale	20,83,361	1.17
		-	-	28/10/2016	(51,740)	Sale	20,31,621	1.14
		-	-	11/11/2016	(7,395)	Sale	20,24,226	1.04
		-	-	25/11/2016	(75,818)	Sale	19,48,408	1.00
		-	-	02/12/2016	7,646	Purchase	19,56,054	1.01
		-	-	09/12/2016	42,339	Purchase	19,98,393	1.03
		-	-	16/12/2016	(26,985)	Sale	19,71,408	1.02
				-	-	13/01/2017	(21,700)	Sale
-	-			10/03/2017	(5,000)	Sale	19,44,708	1.00
19,44,708	1.00			31/03/2017	-	-	19,44,708	1.00
10	ROUTE ONE FUND I, L.P.	29,63,402	1.66	01/04/2016	Nil	No Change	29,63,402	1.66
		29,63,402	1.53	31/03/2017	-	-	29,63,402	1.53

Percentage rounded off up to two decimal place.

#### Attachment 6 to Annexure A

##### Shareholding of Directors and Key Managerial Personnel:

S. No.	Name and Designation of Directors and KMPs	Shareholding at the beginning the year (01-04-2016) / date of appointment, in case of appointment during 2016-2017		Shareholding at the end of the year (31-03-2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Sameer Manchanda, Chairman Managing Director	466,54,550	26.1810	466,54,550	24.0455
2	Ajaya Chand- Non Executive Independent Director	64,420	0.0362	64,420	0.0332
4	Krishna Kumar- Non Executive Independent Director*	7,720	0.0043	7,720	0.0040
5	S. N. Sharma - Chief Executive Officer**	49,485	0.0278	49,485	0.0255
6	Manish Dawar- Group Chief Financial Officer	13,354	0.0075	13,354	0.0069
7	Rajesh Kaushall, Chief Financial Officer	2,51,500	0.1411	2,51,500	0.1296

\*Resigned on December 13, 2016

\*\*Appointed on July 19, 2016

# Percentage rounded off up- to four decimal places

#### Attachment 7 to Annexure A

##### Indebtedness

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

₹ in Million

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	8,345.96			8,345.96
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	49.53			49.53
<b>Total (i+ii+iii)</b>	<b>8,395.49</b>	-	-	<b>8,395.49</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	2,197.50			2,197.50
* Reduction	5,620.54			5,620.54
<b>Net Change</b>	<b>-3,423.04</b>	-	-	<b>-3,423.04</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4,948.25			4,948.25
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	24.19			24.19
<b>Total (i+ii+iii)</b>	<b>4,972.44</b>	-	-	<b>4,972.44</b>

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

#### Attachment 8 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	1,42,14,400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	23,100
	(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>	1,42,37,500
	<b>Ceiling as per the Act</b>	The aforesaid remuneration is within the limit provided under the provisions of the Companies Act, 2013 and its rules.

#### Attachment 9 to Annexure A

##### Remuneration of other Directors

S N.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	<b>Ajaya Chand</b>	<b>Robindra Sharma</b>	<b>Atul Sharma</b>	
	Fee for attending board committee meetings	5,30,000	3,90,000	50,000	<b>9,70,000</b>
	Commission	Nil	Nil	Nil	<b>Nil</b>
	Others, please specify	Nil	Nil	Nil	<b>Nil</b>
	<b>Total (1)</b>	<b>5,30,000</b>	<b>3,90,000</b>	<b>50,000</b>	<b>9,70,000</b>
2	<b>Other Non-Executive Directors</b>	<b>Ankur A. Sahu</b>	<b>(Ms.) Dr. Archana Niranjan Hingorani**</b>	<b>Krishna Kumar*</b>	
	Fee for attending board committee meetings	60,000	60,000	1,90,000	<b>3,10,000</b>
	Commission	Nil	Nil	Nil	<b>Nil</b>
	Others, please specify	Nil	Nil	Nil	<b>Nil</b>
	<b>Total (2)</b>	<b>60,000</b>	<b>60,000</b>	<b>1,90,000</b>	<b>3,10,000</b>
	<b>Total =(1+2)</b>		-	-	<b>12,80,000</b>
	<b>Total Managerial Remuneration</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Overall Ceiling as per the Act	NA	NA	NA	NA
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\* Resigned during financial year 2016-2017.

\*\*Appointed during financial year 2016-2017.

#### Attachment 10 to Annexure A

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

S.N.	Particulars of Remuneration	Key Managerial Personnel					Total
		CEO	CEO	Group CFO	CFO	CS	
1	Gross salary	S. N. Sharma*	Pradeep Parameswaran**	Manish Dawar	Rajesh Kaul-shall	Jatin Mahajan	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	349,40,322	74,98,168	472,29,988	99,47,316	23,35,947	1019,51,741
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	11,825	39,600	39,600	32,400	1,23,425
	(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>349,40,322</b>	<b>75,09,993</b>	<b>472,69,588</b>	<b>99,86,916</b>	<b>23,68,347</b>	<b>1020,75,166</b>

\*Appointed on July 19, 2016

\*\*Resigned on July 19, 2016

#### Attachment 11 to Annexure A

##### 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 DE-FAULT</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 Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2017**

**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, 2017 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, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Following are the other acts applicable on the Company;
- (a) Maternity Benefit Act, 1961 and rules framed thereunder;
  - (b) Employee' Provident Fund Act and Miscellaneous Provisions Act, 1952 and rules framed thereunder;
  - (c) Employee State Insurance Act, 1948 and rules framed thereunder;
  - (d) The Delhi Shops and Establishments Act, 1954 and rules framed 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, 1948 and rules framed thereunder;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the BSE Ltd and National Stock Exchange of India Limited to the date applicable.
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the date applicable

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

**We further report that**

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

Adequate notice is given to all directors to schedule the Board

Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**We further report that**

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

**Place:** New Delhi

**Date:** 20.07.2017

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 Estate,  
Phase-III, New Delhi-110020

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

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

Place: New Delhi  
Date: 20.07.2017

For **NKJ & Associates**  
Company Secretaries

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

**"Annexure C"****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/index.php/corporate-announcement#corporate-governance>

**2. Composition of CSR committee**

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

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

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

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

Nil - As average net profit was negative.

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

- a) Total amount spent for the financial year: Nil
- b) Amount unspent if any (for previous financial year): ₹ 09.19 Lac
- c) Manner in which the amount spent during the financial year is detailed below – N/A

# MANAGEMENT DISCUSSION & ANALYSIS

## Global Economy & Indian Media and Entertainment Industry

In the year gone by, the global economy has been sluggish with a growth rate of 2.6%, hampered by slow pick up in the U.S. economy and slowdown in the growth rate in China.

Against this uncertain global economic scenario, the Indian economy has been one of the brightest spots with the growth rate of 7.1% in 2016-17. Recent initiatives taken by government in the form of Demonetisation and Goods & Service Tax (GST) are likely to provide boost to the Country's GDP in the long run. India was the fastest growing large economy with a stable currency, performing better than most other emerging market currencies. Riding on strong macroeconomic fundamentals, favorable business sentiments and downward trend in interest rates, the International Monetary Fund (IMF) expects the Indian economy to grow at around 7.2% in 2017-18 and 7.7% in 2018-19. Reserve Bank of India has forecast a GDP growth of 7.3% for 2017-18.

The strong economic fundamentals coupled with growth in domestic consumption has also aided the Indian Media and Entertainment Industry to maintain the growth rate of 11.6% over the last 5 years and 9.1% in the year 2016-17. The FICCI KPMG Report 2017 estimated the Indian M&E industry to grow at a CAGR of 14% over the period 2016-21. Government policies and initiatives are creating a significant and lasting impact on M&E industry, both directly and indirectly.

As a result, the FDI equity inflows in Information broadcasting (including print media) witnessed a growth of 52% during 2014-16 (US\$1.26 billion) over 2012-14 (US\$0.83 billion).

## The TV Industry

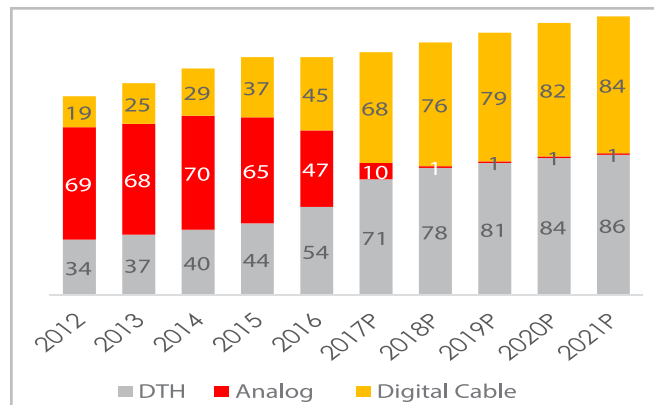
### Television Subscriber Base

The number of TV households in India increased to 181 million in 2016, resulting in a TV penetration of 63%. The industry witnessed net addition of 9 million Cable & Satellite (C&S) subscribers in 2016, ending with a C&S base of 169 million. The short term blip of demonetisation is not likely to affect the long term macro economic indicators, with the TV households estimated to reach 203 millions by 2021, implying a total penetration of 67%. In the coming years, increasing viewership of regional language channels, compulsory digitization of distribution, growth in TV households, growth in average household income (expected to grow over 40% by 2020) will be the major drivers of growth.

### Digitisation

Television remains amongst the most important entertainment medium in India. The process of digitising this medium began in 2012 and has progressed slowly, with persistent challenges.

## Pay TV Subscribers in India (Millions)



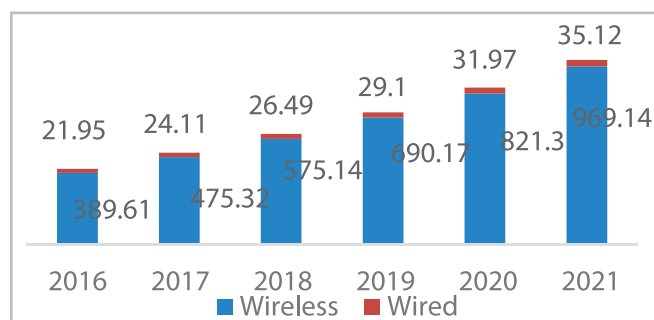
Digitization is an important step in the process of providing transparency in the television value chain and to facilitate better monetization. The rollout of digital cable STB's in DAS Phase 1 and 2 markets were largely achieved in calendar year 2013. And DAS3 implementation has been completed by March'16 in most of the cities and it got extended in few cities in FY 2016-17 as well. The Ministry of Information & Broadcast (MIB) extended the deadline for phase 4 of DAS to 31st of March 2017.

## Broadband Services by MSOs – The key focus area

India's estimated internet user base of more over 400 million as of FY'16-17 (as per KPMG analysis 2017). However, wired broadband in India is behind wireless broadband by a large margin.

The pan India reach of MSOs represents an opportunity for the industry to tap into the rapidly growing needs of customers in terms of high speed connectivity and huge data consumption; as traditionally wired internet does not have to contend with high spectrum cost.

## Internet Users (in millions)



Source : KPMG in India's analysis and estimates 2017

## Regulatory Environment

### GST to rationalize taxation across M&E industry

The GST has been implemented by central government from 1st of July 2017 and it is likely to consolidate the multiple incidence of taxes currently being levied to have varied level of impact across



the various media segments on the overall basis, M&E industry is expected to be a net beneficiary. This is primarily due to availability of input credit across the board and entertainment tax and other levies are getting subsumed within the level of GST.

### TV Tariff order

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

### Company Overview

DEN which was established in 2007 to provide cable network and services to consumers across India, is one of the leading cable TV MSOs in the country. On the journey to tap the opportunity in ‘Home Entertainment’, DEN enhanced its product portfolio offering high speed Broadband services with a vision to provide bundle services to its customers. During the year FY 16-17, the company has reduced its stake in soccer business to 19.29% from 45%.

### Strategic Initiatives:

#### a) “TV Every Where” - Launch of online/live streaming platform



In order to keep pace with the current technological changes and consumer behavior trends, the Company has launched its own OTT (Over The Top) application, DEN TV+. The app offers exciting content - 130 Live Channels, 2500 movies and 10,000 Hours of Video on Demand (including Movies, Popular Shows/Serials, Devotional Content, Lifestyle Content and much more) in Hindi, English and many regional languages and much more.

Exclusively for DEN Cable and Broadband subscribers, the platform is available for download on all Android and iOS devices.



DEN TV+ is packed with functionalities ranging from multi-screen viewing, adaptive bitrate, easy controls, and much more. In addition, users can view the entire TV guide for the upcoming week and set up reminders for their favorite TV shows. Further, users can browse the app without interrupting their watching experience by minimizing the new video player.

DEN TV+ is the only mobile TV video app from India to offer instant access to non-stop news. It intends to add more movies, more music, recipes, jokes, games, fitness videos, DIY Videos, comedy shows, karaoke music, educational videos, sports videos/talk shows, plays, horoscopes, Bollywood news and vine in the coming months.

#### b) Merger of 23 Subsidiaries in the Cable Business

As part of the corporate simplification exercise, the company has taken initiatives to merge 23 subsidiaries in the cable business. It is aimed at strengthening of the single brand leading to a stronger market presence, providing customers with a seamless on-board experience. The structure will result in cost optimization and reduce administrative and regulatory compliances.

#### c) Demerger of Broadband Business

The demerger will enable a focussed attention on the ISP business and achieve structural and operational efficiency, enhanced competitiveness and greater accountability besides accelerating value creation for shareholders.

The separation will allow DEN to focus on the significant growth potential for high speed data and related services in India.

The entire process, including obtaining the required regulatory approvals, of both the merger and demerger is expected to be completed by FY 17-18.

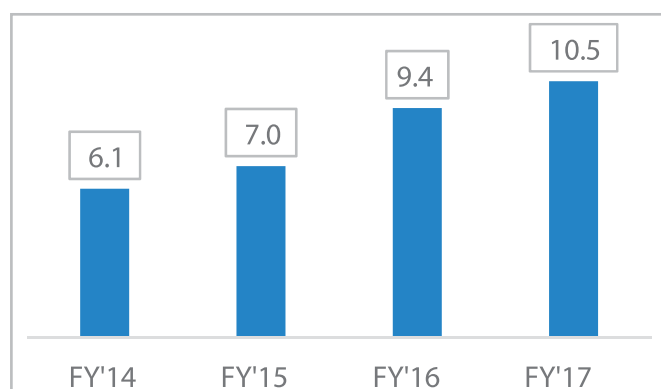
### Cable Business

DEN Networks is India’s largest cable TV distribution company serving 13 million homes in over 250 cities. The company has been a frontrunner in the digitization of Indian cable television and has over 10 million digital subscribers.

DEN’s geographic footprint spans 13 key states across India

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

### Total Digital Subscribers (Million)



DEN seeded additional 1.1 million STBs in FY'16-17. This takes the digital subscribers base of the company to 10.5 million at the end of FY'16-17.

### Cable – Financial Highlights:

Cable business revenues increased in FY'17 to INR 1,059 Crore from INR 891 Crore in last year. Subscription income contributed 51% of total revenues (including activation) in FY'17 compared to 45% in FY'16.

Subscription revenue in cable business has seen a growth of 35% and increased to INR 544 Crore in comparison of 7% growth as reported by KPMG in India's analysis and estimates 2017.

The detailed breakup of revenues is as below:

Details	FY'16	FY'17	% Change
Subscription	404	544	35%
Placement	371	351	-6%
Others	116	164	41%

EBITDA (pre activation) for the cable business increased to INR 108 crores in FY17 compared to a loss of INR 63 crores in FY16.

### Broadband Business

DEN broadband services achieved 868,250 homes passed as on 31 March 2017. Over the course of the year, the operating costs has reduced substantially as we have taken a number of re-engineering and procurement related initiatives to optimize cost. The benefit of conversions of the Home Passes have started to flow through.

The company currently has a gross base of 177,067 broadband subscribers at the end of FY'16-17 and more than half of them come from non-DEN cable homes. On the usage side, we have seen a

substantial jump in data consumption as well speed adoption. We will continue to work towards the profitability of the broadband business through a combination of initiatives both on the revenue side as well as optimizing the operating costs.

**Broadband – Financial Highlights:** Broadband business revenues increased by 100% in FY'16 to INR 82 Crore from INR 41 Crore in last year despite reduction in ARPU.

As a result of the initiatives implemented as detailed above, the company was able to achieve breakeven in terms of operational profit during the second half of the FY 2016-17.

EBITDA (pre activation) losses have narrowed down from INR 66 crores in FY 2015-16 to INR 10 crores in FY 2016-17.

### SCOT Analysis

#### Strengths:

- ▲ Largest Cable MSO in India with more than 13 Million subscribers
  - 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)
  - Deployed 10.5 mn boxes as on 31 March 2017.
- ▲ Integrated service and product portfolio covering cable and data (broadband)
- ▲ Skilled workforce with the best in the industry and experienced management team

#### Challenges

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

#### Opportunities

- ▲ Boxes in DAS phase 3 & 4 have been deployed till March'17. The company is focused on enhancing the monetization of DAS 3 & 4 boxes significantly.
- ▲ Increasing ARPU by packaging & higher monetization of boxes in DAS 1/ 2 markets.
- ▲ Increasing Cable TV Penetration and deploying HD boxes across Territories to enhance customer experience and ARPU
  - Digitization Changing the Cable Industry, Digital Cable Subscribers to Reach to 54% of the Total Cable Subscribers by end of 2019
- ▲ Launch of online / live streaming services (DEN TV+)
- ▲ TRAI Tariff order – this will be a real game changer for the cable industry.
- ▲ Untapped fixed broadband market in India

- Low Fixed Broadband Penetration in India (1% compared to 10% globally)
- Rapid expansion planned in Tier II cities during 2017-18

#### Threats

- ▲ Delay in Implementation of Phase 4
- ▲ Increasing Competition
  - New players entry in Cable services
  - DTH Players to offer stiff competition in Phase 3 and 4 Markets
  - Competition from Telecom/other Companies for Broadband Services
- ▲ Increase in content costs by Broadcasters
  - TRAI tariff order will have a positive impact

#### Results of Operations

The Financial Statements of the company for the FY 2016-17 have been prepared in accordance with Indian Accounting Standards ("INDAS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The comparative figures for the previous year FY 2015-16 have been reinstated to INDAS.

In order to present the business view better, the company has been presenting the financial numbers as per the previously applicable accounting standards (IGAAP) in the quarterly investor presentations.

#### Consolidated Financial Highlights

Consolidated revenues increased INR 210 Crore in the year to reach INR 1,157 Crore for the year ended 31 March 2017. The Increase in revenues was primarily on account of subscription revenue by 35% in comparison of FY'15-16, increased Broadband revenues. Consolidated EBITDA grew by 268% to INR 183 Crore in FY'16-17 vs loss of INR 109 Crore in FY'15-16. Depreciation and Amortization costs were higher by INR 72 Crore or 35% over the last year costs of INR 206 Crore.

All these factors along with an exceptional item of Rs 31 Crore lead a net loss of INR -210 Crore vs INR - 430 Crore in the FY'15-16.

#### Liquidity and Funding

As on 31 March 2017, the Group had cash and cash equivalents of INR 87 Crore. During the year ended 31 March 2017, the Group generated operating cash flow of INR 199 Crore.

#### HUMAN RESOURCE MANAGEMENT

Much like the previous years, the sole objective and focus of the Human Resource function was on driving and reinforcing employees to higher motivation, skill and efficiency levels. Choosing the right employee for the right roles, transparent communication channels, driving higher efficiencies, creating an open work culture and providing a better work life balance were of top priority.

The team focused on grooming talent internally, preparing them for future leadership roles and polishing their skills through an internal knowledge sharing platform - **DEN Academy**. This initiative provides a platform where in the employees do not just receive trainings on specialized skills and get certified, they also get an opportunity to rise as a trainer and be certified for the same.

To further upgrade an employee's all round awareness, a fortnightly e-magazine - **Transcend** has been created to update employees with the latest industry news. Besides this, the magazine also features a spotlight section, bringing to light various employees one at a time to better introduce an employee to the others, the objective being, boosting cross functional communication across the organization. Out of the many other sections, we also feature a section where we aspire to bring forth employees with a flair for writing. We constantly aim to provide platforms to employees to showcase their many talents and skills, beyond that of the workplace.

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

Keeping in mind the importance of an employee's health for the organization's health, multiple medical camps were set up to not only raise awareness about various health issues, common lifestyle problems, urban ailments and how to combat them in today's world but employees were also constantly provided with free consultations and tests. We ensured that a different aspect of health was taken up every month, in partnership with reputed medical institutions for an enhanced overall wellbeing of all employees. Maternity benefits have also been increased to six months for all female employees, realizing the importance of the need for a mother to take some time to heal and rest and spend some time nurturing and caring for their little ones.

Keeping in mind past trends, we comprehend how sensitive and vulnerable the initial months of an employee in the organization are. To combat any such vulnerability from keeping our hands full, we have devised a "comfort check" where in we evaluate how well the employee now gels with the organizational culture and what is holding them back from being fully settled and comfortable.

The HR function ultimately realizes how important constantly adapting to changes and needs of the employees and organization is and thus, conducted a feedback survey on the efficiency and impact of HR on employees. On receiving the results, the department worked on the grey areas and still endeavors to march forward to the organization's growth.

## CORPORATE GOVERNANCE REPORT

Pursuant to Securities Exchange Board of India (Listing Obligation and Disclosure Requirement), Regulations 2015, as amended from time to time, on Corporate Governance and its reports. This report contains details of the Corporate Governance Systems and processes at DEN Networks Limited ("DEN"), a company listed with the National Stock Exchange Limited ("NSE") and BSE Limited ("BSE").

### I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

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

For DEN, Corporate Governance is an ethical driven

business process that is committed to aim at enhancing an organization's brand and reputation. 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 COMPOSITION

#### Size and 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/ Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), terms of the Shareholders' agreement and other statutory provisions. The size and composition of the Board of Directors confirms the requirement of the Listing Regulations. Presently the Board comprises of Six (06) members, all of whom are Non-Executive Directors except Mr. Sameer Manchanda, Chairman and Managing Director of the Company. The one-half of the total numbers of Directors are Independent. None of the Directors are *inter-se* related to each other. The Board of Directors in its meeting dated December 13, 2016 had approved appointment of (Ms.) Dr. Archana Niranjana Hingorani as Non-Executive Nominee Director (Woman Director), as an Additional Director. The details of the Directors on the Board of the Company during the financial year ended March 31, 2017 are set out in the table below:-

Name of Director	Category of Directorship	No. of outside Directorships Held	No. of Chairmanships / Memberships of other Board Committees	
			Chairmanship	Membership
Mr. Sameer Manchanda	Promoter, Executive Director (Chairman & Managing Director)	Nil	Nil	Nil
(Ms.) Dr. Archana Niranjana Hingorani* (Woman Director)	Non-Executive Nominee Director	8	Nil	2
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

\*(Ms.) Dr. Archana Niranjana Hingorani is appointed as an Additional Director of the company w.e.f. December 13, 2016

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

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Chairman of the Board

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

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

#### (Ms.) Dr. Archana Niranjana Hingorani - Non Executive - Nominee Director

Pursuant to the approval of the Ministry of Information & Broadcasting ("MIB") in terms of consolidated FDI policy dated April 17, 2014, as amended from time to time. The Board of directors in its meeting dated December 13, 2016 had appointed (Ms.) Dr. Archana Niranjana Hingorani as Non-Executive-Nominee Director (Woman Director). However, she has resigned from the directorship of the company with effect from 1<sup>st</sup> August 2017.

#### Mr. Krishna Kumar Gangadharan - Non-Executive Nominee Director

Mr. Krishna Kumar Gangadharan had resigned from the directorship w.e.f. December 13<sup>th</sup> 2016. He has been again appointed by the board of director in its meeting dated August 01, 2017 as Non-Executive Nominee Director. The Board recommends to shareholders for regularisation of his term as Director of the Company.

#### Mr. Sameer Manchanda – Executive Director

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

### Withdrawal of candidature from Directorship

The Board had appointed Ms. Nandita Agarwal Parker in its meeting held on August 13, 2014, Mr. Moh. Ghulam Azhar on February 13, 2015 and (Ms.) Dr. Archana Niranjana Hingorani on December 13, 2016, subject to the approval of Ministry of Information and Broadcasting ("MIB"), in terms consolidated FDI policy dated April 17, 2014, as amended from time to time. During the year the company had received the approval from the Ministry of Information & Broadcasting ("MIB") for appointment(s) of Ms. Nandita Agarwal Parker, Mr. Moh. Ghulam Azhar and (Ms.) Dr. Archana Niranjana Hingorani as directors of the Company. However, Ms. Nandita Agarwal Parker and Mr. Moh. Ghulam Azhar had withdrawn their candidature from Directorship.

## KEY MANAGERIAL PERSONNEL

### Mr. Shailender Nath Sharma

The Board of Directors in its meeting held on July 18, 2016

appointed Mr. S. N. Sharma as Chief Executive Officer of the Company. He joined the company w.e.f. July 19, 2016.

Mr. Shailender Nath Sharma holds a B. Tech degree in Electronics & Communications and a Master's degree in Business Administration with 20+ years of experience in the electronic media industry. Mr. Sharma is a member of the Task Force on Digitisation set up by the Ministry of Information & Broadcasting and is a founding member and secretary of the MSO Alliance.

### Mr. Pradeep Parmeshwaran

During the financial year 2016-2017, Mr. Pradeep Parmeshwaran had resigned from the position of Chief Executive Officer of the Company w.e.f. July 19, 2016.

### Board Meetings and Procedures

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

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

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

### Attendance at Board Meetings and Annual General Meeting

The total of 08 (Eight) meetings were held during the financial year 2016-17 on 30<sup>th</sup> May 2016; 15<sup>th</sup> July 2016; 18<sup>th</sup> July 2016; 5<sup>th</sup> September 2016; 14<sup>th</sup> September 2016; 20<sup>th</sup> September 2016; 13<sup>th</sup> December 2016; 23<sup>rd</sup> January 2017. The Ninth Annual General Meeting of the Company was held on September 29, 2016.

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	07 <sup>#</sup>	No
Mr. Krishna Kumar Gangadharan*	03	No
Mr. Ajaya Chand	08	Yes
Mr. Robindra Sharma	06	No
Mr. Atul Sharma	01	No
Mr. Ankur Ambika Sahu	01 <sup>#</sup>	No
(Ms.) Dr. Archana Niranjn Hingorani	01	No

\*Resigned w.e.f. 13/12/2016

<sup>#</sup> attended one meeting through Video Conference.

### Shareholding of Directors

Shareholding of the Directors of the Company as on March 31, 2017 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. Ajaya Chand	64,420
3	Mr. Robindra Sharma	Nil
4	Mr. Atul Sharma	Nil
5	Mr. Ankur Ambika Sahu	Nil
6	(Ms.) Dr. Archana Niranjn Hingorani*	Nil

\* Appointed as an Additional Director on Dec. 13, 2016.

### Familiarisation programmes of Independent Directors

Familiarisation programme of Independent Directors enable them to understand the Company's business in depth that would facilitate their active participation in managing the Company. The Board update the directors on continues basis at Board meeting through presentation, quarterly results and press release. The details of familiarisation programmes available at website link at <http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance>

### III. COMMITTEE(S) OF BOARD

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

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

### 1. AUDIT COMMITTEE

#### (A) Composition

The Audit Committee of the Company is constituted in accordance with the provision of Listing Regulations 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. Ajay Chand	Non-Executive, Independent Director	Chairman
Mr. Krishna Kumar Gangadharan**	Non-Executive, Nominee Director	Member
Mr. Robindra Sharma	Non-Executive, Independent Director	Member
(Ms.) Dr. Archana Niranjn Hingorani*	Non-Executive, Nominee Director	Member

\*\* Resigned w.e.f 13/12/2016

\*Appointed as an Additional Director on 13/12/2016

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:**

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Reviewing with the management and examination of the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - 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;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - 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 audit committee shall mandatorily review the following information:**
- (1) management discussion and analysis of financial condition and results of operations;
  - (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (4) internal audit reports relating to internal control weaknesses; and
  - (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - (6) statement of deviations:
    - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).
- The 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.

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

### (C) Number of meetings & attendance

During the year under review, the committee meeting held on 20<sup>th</sup> April 2016; 30<sup>th</sup> May 2016; 5<sup>th</sup> September 2016; 14<sup>th</sup> September 2016; 13<sup>th</sup> December 2016 and 23<sup>rd</sup> January 2017. The details of attendance of members at the Committee Meetings are as under:

Name	Designation	No. of meetings attended
Mr. Ajay Chand	Chairman of the Committee	06
Mr. Krishna Kumar**	Member of the Committee	04
Mr. Robindra Sharma	Member of the Committee	06
(Ms.) Dr. Archana Niranjana Hingorani*	Member of the Committee	01

\*\* Resigned w.e.f 13/12/2016

\*Appointed as an Additional Director on 13/12/2016

## 2. NOMINATION AND REMUNERATION/ COMPENSATION COMMITTEE

### (A) Composition

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

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

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

- (1) formulation of the criteria for determining qualifications, positive attributes and independence

of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### (C) Number of Committee meetings & attendance

The committee met twice i.e., July 18, 2016 and December 13, 2016 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	02
2	Mr. Sameer Manchanda	02 <sup>#</sup>
3	Mr. Robindra Sharma	01
4	Mr. Ankur Ambika Sahu	01 <sup>#</sup>

<sup>#</sup> attended one meeting through video conference.

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

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

#### Appointment criteria and qualification:

The Committee 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 / Whole time Director / Independent Director shall be governed as per the provisions of the Companies Act, 2013("Act") and Rules made thereunder and the SEBI (LODR) Regulations 2015, as amended from time to time. Whereas the term of the KMP (other than the Managing / Whole time Director) and Senior Management 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 Company hadn't paid 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 applicable regulations of SEBI (LODR) Regulations, 2015.

**Compensation to the members of Board**

During the financial year 2016-17, 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
1.	Basic Salary	5.70
2.	House Rent Allowance	2.85
3.	Management Allowance	5.01
4.	Provident Fund	0.68
	<b>Total</b>	<b>14.24</b>

*Rounded off up-to two decimal place.*

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

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

Name of Director	Sitting Fees of Board Members	Sitting Fees of Committee Meetings	Total Fees
Mr. Krishna Kumar Gangadharan*	1,50,000	40,000	1,90,000
Mr. Ankur A. Sahu	50,000	10,000	60,000
Mr. Ajaya Chand	4,00,000	1,30,000	5,30,000
Mr. Robindra Sharma	3,00,000	90,000	3,90,000
Mr. Atul Sharma	50,000	-	50,000
(Ms.) Dr. Archana Niranjana Hingorani**	50,000	10,000	60,000
<b>Total</b>	<b>10,00,000</b>	<b>2,80,000</b>	<b>12,80,000</b>

\*Resigned w.e.f. December 13, 2016. \*\* Appointed w.e.f. December 13, 2016.

**Performance evaluation criteria for Independent Directors**

The evaluation process endorsed the Board Members'

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

In the coming year, the Board intends to enhance its focus on the strategic plan viz., risk management, policy advocacy and regulatory affairs, environmental matters including sustainability.

### 3. 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. During the year, the committee was met on 31-03-2017 and attended by all the committee members.

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) Terms of Reference of the Committee, *inter alia*, include 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

### 4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

#### (A) Composition

The Stakeholders' Relationship Committee has been

constituted to look into investor's complaints like transfer of shares, non-receipt of declared dividends etc. and take necessary steps for redressal thereof. The Committee is a Board level committee under the Chairmanship of Mr. Ajaya Chand, Non- Executive Independent Director. The present composition of Stakeholders' Relationship Committee is as under:-

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

During the year, the committee was met on 31-03-2017 and attended by all the committee members.

#### (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 NIL correspondence(s) / complaints from the Shareholders during the period from April 1, 2016 to March 31, 2017. The Company have a practice to redressed / attended to the satisfaction of the shareholders effectively within the statutory time limit and no complaint was pending at the end of financial year March 31, 2017.

### 5. INDEPENDENT DIRECTORS COMMITTEE

#### Composition, terms of reference, role and meeting

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, *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.

A meeting of Independent Directors was held on 31.03.2017 and attended by all independent directors of the Company. Pursuant to the provisions of the Companies Act, 2013 and as per the SEBI (LODR), Regulations, 2015 as amended, the Board has carried

out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration/ Compensation Committee.

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

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. 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/index.php/corporate-announcement#corporate-governance>

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

- 1 Finance Committee
- 2 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. 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 during the year under review.

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

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

#### **CEO and CFO Certification**

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

#### **Reconciliation of Share Capital Audit**

In terms of Regulation 40 (9) of the SEBI (LODR) Regulations, 2015, certificates, on half-yearly basis, have been issued by the Company Secretary in- practice with respect to due compliance of share transfer formalities by the Company.

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

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

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

## V. GENERAL BODY MEETINGS

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

Year	Location	Date	Day	Time
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.
2014-15	Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110001	September 29, 2015	Tuesday	11.30 A.M.
2015-16	Shri Ram Centre, 4, Safdar Hashmi Marg, Mandi House, New Delhi-110001	September 29, 2016	Thursday	11.30 A.M.

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

- 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.
- At the AGM held on September 29, 2015:- There was no matter that required passing of a special resolution except re-appointment and fixation of remuneration of Mr. Sameer Manchanda, Chairman Managing Director of the Company.
- At the AGM held on September 29, 2015:- There was no matter that required passing of a special resolution except ratification in foreign investments limits.
- As per principal bench of the National Company Law Tribunal, a meeting of the shareholders, Secured Creditors and Un-Secured Creditors was held on 11<sup>th</sup> day of March, 2017 for approval of Scheme of Arrangement i.e., demerger in the broadband business of the Company into Skynet Cable Network Private Limited (A wholly owned subsidiary of Den Networks Limited). It was unanimously approved by the shareholders.
- An Extra-Ordinary General Meeting of the Company was held on Friday, October 14, 2016 for approval

of shareholders in form of special resolution for preferential issue of shares. The resolution had been approved by requisite majority.

## 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 another 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 behaviour, frauds and other grievances. Pursuant to SEBI (LODR) Regulations, 2015 & the Companies Act 2013, the company has constituted a grievance redressal platform wherein any employee can report or escalate unethical activities which he/she has witnessed or experienced. There is an email id exclusively created for this purpose, employees can write-in for workplace related concern or escalations related to any ethical/legal violation to the Code of Conduct of the company. The email id. is den-

cares@denonline.in. There have been no grievances reported as on March 31, 2017.

**(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 and SEBI (LODR), regulations 2015 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 website i.e., [www.dennetworks.com](http://www.dennetworks.com)

The Company has an exclusive e-mail id :- investorrelations@denonline.in dedicated for prompt redressal of Shareholders' queries, grievances etc.,

The Company holds analyst call in each quarter, to apprise and make public the information relating to the Company's working and future outlook.

**VIII. GENERAL SHAREHOLDERS INFORMATION**

**Annual General Meeting**

Day & Date	Wednesday, September 27, 2017
Time	At 11:30 A.M.
Venue	Sri Sathya Sai Auditorium, Lodhi Road, Bhishm Pitamah Marg, New Delhi - 110003

**Financial Calendar:**

**[Tentative and subject to change]**

Financial Reporting for the 1 <sup>st</sup> Quarter ending June 30 <sup>th</sup> , 2017.	Within first 15 days of August, 2017.
Financial Reporting for the 2 <sup>nd</sup> Quarter ending September 30 <sup>th</sup> , 2017.	Within first 15 days of November, 2017.
Financial Reporting for the 3 <sup>rd</sup> Quarter ending December 31 <sup>st</sup> , 2017.	Within first 15 days of February, 2018.
Financial Reporting for the last Quarter ending March 31 <sup>st</sup> , 2018.	Within first 30 days of May 2018, in case of Audited Annual Financial Results.

**Date of Book Closure**

22/09/2017 to 26/09/2017 (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 Company has paid annual listing fee for the financial year 2017-2018 with the stock exchanges within stipulated time period.

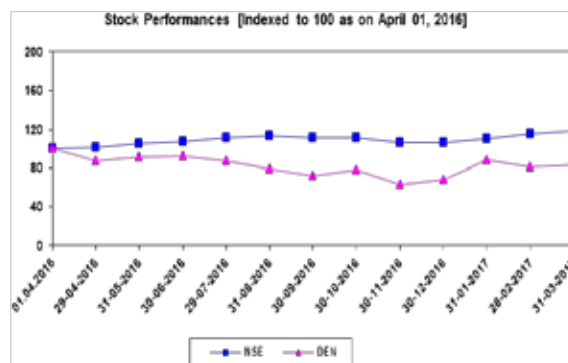
The International Securities Identification Number (ISIN) allotted to the Company's share under the Depository System is INE947J01015.

**Market Price Data**

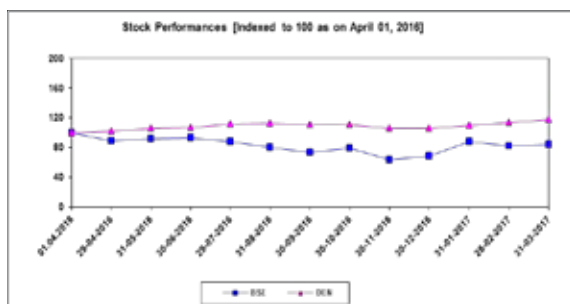
Equity Shares of the Company are listed and traded on BSE and NSE and the High/ Low rates of the shares of the Company during the year, ended on March 31, 2017 are as follows:

Months	NSE (in ₹ per share)		BSE (in ₹ per share)	
	Month' high price	Month' low price	Month' high price	Month' low price
Apr-16	103.55	85.40	104.00	85.60
May-16	94.45	84.10	94.15	84.90
Jun-16	93.40	85.50	93.50	85.50
Jul-16	96.00	86.20	94.70	86.50
Aug-16	96.40	78.70	92.95	78.55
Sep-16	85.90	67.30	85.00	67.50
Oct-16	83.00	69.50	82.90	69.00
Nov-16	79.45	59.60	79.05	60.85
Dec-16	77.40	61.20	78.00	62.00
Jan-17	94.30	65.10	94.50	65.00
Feb-17	88.85	76.00	89.50	77.85
Mar-17	85.70	78.80	86.30	79.10

**Stock Performance in Comparison with NSE 50 Nifty**



### Stock performance in Comparison with BSE SENSEX



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

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 2016 – 2017: 09

Number of Shares pending for Transfer as on 31.03.2017: NIL

### 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.
- 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 Listing Agreement, SEBI (LODR) 2015, as applicable, 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, 2017 is as under:

Sl. No.	Mode of Holding	No. of shares	% of total share capital
1	Demat	19,38,17,128	99.89
2	Physical	2,08,717	0.11
	<b>TOTAL</b>	<b>19,40,25,845</b>	<b>100.00</b>

### Shareholding as on 31.03.2017

S. No.	Category	No. of Shareholders	No. of Shares	% of shareholding
1	Indian Promoters / Person Acting in Concert	7	713,60,420	36.78
2	Bodies Corporates	311	125,72,272	6.48
3	Indian Public including HUF	10,202	127,50,743	6.57
4	IFIs / Mutual Funds / UTI / Banks /NBFC	8	19,22,044	0.99
5	NRIs / OCBs / FIIs / FN	163	950,63,987	49.00
6	Trust/Clearing member	57	3,56,379	0.18
	<b>Total</b>	<b>10,748</b>	<b>1940,25,845</b>	<b>100.00</b>



### Distribution Schedule as on 31.03.2017

DISTRIBUTION SCHEDULE AS ON 31/03/2017					
S. no.	Category	Cases	% of Cases	Amount	% Amount
1	upto 1 - 5000	9,398	87.44	88,10,650	0.45
2	5001 - 10000	578	5.38	46,98,850	0.24
3	10001 - 20000	271	2.52	41,67,780	0.21
4	20001 - 30000	111	1.03	28,40,610	0.15
5	30001 - 40000	57	0.53	20,88,080	0.11
6	40001 - 50000	43	0.40	20,55,810	0.11
7	50001 - 100000	102	0.95	75,79,840	0.39
8	100001 & ABOVE	188	1.75	19080,16,830	98.34
	<b>Total:</b>	<b>10,748</b>	<b>100.00</b>	<b>19402,58,450</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.

#### Other Disclosures:

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

- disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large - complied as per applicable regulations

- (b) details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years - nil
- (c) details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee – Yes, the Company has framed a vigil mechanism policy and there are no person has been denies to access to audit committee.
- (d) details of compliance with mandatory requirements and adoption of the non-mandatory requirements;  
- The Company has complied all mandatory regulations and there is an endeavour to adopt other non-mandatory regulations.
- (e) web link where policy for determining 'material' subsidiaries is disclosed; - The Company has framed a policy for determining of material subsidiary. The web link is "<http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance>"
- (f) web link where policy on dealing with related party transactions- "<http://www.dennetworks.com/index.php/corporate-announcement#corporate-governance>"
- (g) disclosure of commodity price risks and commodity hedging activities – Not applicable.
- (h) Non-compliance of any requirement of corporate governance report of sub-paras (a) to (g) above, with reasons thereof shall be disclosed – Not applicable.

**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





## CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

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

1. 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> 2017, as per the relevant provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations for the period from April 01, 2016 to March 31, 2017, 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 above mentioned Listing Regulations, as applicable.

For **AMJ & Associates,**  
Company Secretaries

Place: New Delhi  
Date: 01.08.2017

Sd/-  
**Manoj Kumar Jain**  
Proprietor  
Membership No. FCS 5832  
Certificate of Practice No. 5629

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

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

I confirm that the Company has in respect of the year ended March 31, 2017, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

**For DEN Networks Limited**

Sd/-  
**Chief Executive Officer**

Delhi, Aug. 01, 2017

### CEO AND CFO CERTIFICATION

Dear Members,

**DEN Networks Limited,**

We, S. N. Sharma, Chief Executive Officer and Manish Dawar, Group Chief Financial Officer, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements, cash flow statement and all the notes on accounts and the Board's report for the year 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 represent 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. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. During the year in review there were no –
  - (i) Significant Changes in internal control over financial reporting the year
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For DEN Networks Limited**

Sd/-  
Chief Executive Officer

**For DEN Networks Limited**

Sd/-  
Group Chief Financial Officer

Place: Delhi,  
Date: Aug. 01, 2017



# BUSINESS RESPONSIBILITY REPORT

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **CORPORATE IDENTITY NUMBER (CIN)** : L92490DL2007PLC165673
2. **NAME OF THE COMPANY** : DEN Networks Limited
3. **REGISTERED ADDRESS** : 236, Okhla Industrial Area, Phase – III, New Delhi - 110020
4. **WEBSITE** : www.dennetworks.com
5. **EMAIL ID** : investorrelations@denonline.in
6. **FINANCIAL YEAR REPORTED** : April 1, 2016 – March 31, 2017

### 7. **SECTOR(S) THAT THE COMPANY IS ENGAGED IN (INDUSTRIAL ACTIVITY CODE-WISE):**

The Company is mainly engaged in the business of cable distribution and broadband services- NIC Code of the Product /service (As per 2008) - 602

### 8. **LIST THREE KEY PRODUCTS/SERVICES THAT THE COMPANY MANUFACTURES/PROVIDES (AS IN BALANCE SHEET):**

The Company is engaged in providing of cable distribution and broadband services.

### 9. **TOTAL NUMBER OF LOCATIONS WHERE BUSINESS ACTIVITY IS UNDERTAKEN BY THE COMPANY:**

The operations of the Company are spread broadly all across the country. The cable and broadband services are provided the hub which is located at New Delhi and Registered office is situated at New Delhi. Further, 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.

### 10. **MARKETS SERVED BY THE COMPANY:**

The operations of the Company are spread all across the country.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE OPERATIONS)

1. **PAID UP CAPITAL** : 19,40,25,845 equity shares of Rs. 10/- each
2. **TOTAL REVENUE** : Rs. 10292.07 (in million)
3. **TOTAL PROFIT AFTER TAXES** : Rs. (2567.61) (in million)
4. **TOTAL SPENDING ON CORPORATE SOCIAL RESPONSIBILITY (CSR) AS PERCENTAGE OF PROFIT AFTER TAX (%)**

During the year under review, in terms of the applicable provisions and on account of not having profits for three consecutive financial years, the Company was not required to spend on CSR activities.

### 5. **LIST OF ACTIVITIES IN WHICH EXPENDITURE IN 4 ABOVE HAS BEEN INCURRED.**

Not applicable

## SECTION C: OTHER DETAILS

### 1. **DOES THE COMPANY HAVE ANY SUBSIDIARY COMPANY/COMPANIES?**

Pursuant to the provisions of Companies Act, 2013, as at March 31, 2017, the Company has 112 direct subsidiaries and 32 indirect subsidiaries.

### 2. **DO THE SUBSIDIARY COMPANY/COMPANIES PARTICIPATE IN THE BR INITIATIVES OF THE PARENT COMPANY? IF YES, THEN INDICATE THE NUMBER OF SUCH SUBSIDIARY COMPANY(S).**

No

### 3. **DO ANY OTHER ENTITY/ENTITIES (E.G. SUPPLIERS, DISTRIBUTORS ETC.) THAT THE COMPANY DOES BUSINESS WITH PARTICIPATE IN THE BR INITIATIVES OF THE COMPANY? IF YES, THEN INDICATE THE PERCENTAGE OF SUCH ENTITY /ENTITIES (LESS THAN 30 %, 30-60%, MORE THAN 60%)**

No

## SECTION D: BR INFORMATION

### 1. DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR BR:

#### a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

All Corporate Policies including the Business Responsibility Policies of the Company are engrained in day-to-day business operations of the Company and are implemented by Management at all levels. The responsibility for implementation of BR Policies of the Company is ultimately shouldered by Mr. Ajaya Chand (DIN 02334456) Director of the Company.

#### b) Details of the BR Head:

Sr.	Particulars	Details
1	DIN Number	02334456
2	Name	Mr Ajaya Chand
3	Designation	Non-Executive Independent Director
4	Telephone Number	0120-2467000
5	E mail Id	ajayachand55@gmail.com

### 2. PRINCIPLE-WISE (AS PER NVGs) BR POLICY/POLICIES

#### a) Details of Compliance (Reply Y/N)

Sr. No.	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Shareholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a Policy / Policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the Policy been formulated in consultation with the relevant stakeholders	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does policy conform to any national /international standards	NA	Yes	NA	Yes	Yes	NA	NA	Yes	NA
4	Has the policy been approved by the board? If yes has it been signed by MD/ CEO/ appropriate Board Director?	Yes	No	No	No	No	No	No	Yes	No
5	Does the Company have a specified committee of the Board/Director/Official to oversee implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online	Relevant policies are disseminated and uploaded at website of the Company for information of relevant stakeholders and employees								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8	Does the Company have in house structure to implement the policy	Yes								

Sr. No.	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Shareholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
9	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders grievances related to the policy?					Yes				
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are evaluated regularly by the CEO and/or respective Senior Executives								

b) If answer to the question at Sr No 1 against any principle, is “No”, please explain why:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six month									
5	It is planned to be done within next one year									
6	Any other reason (Please specify)									

### 3. GOVERNANCE RELATED TO BR:

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year –

The assessment of BR performance is done on an ongoing basis by the Senior Management of the Company.

- Does the Company publish a BR or sustainability Report? What is hyperlink for viewing this report? How frequently it is published?

The BR report will be published from financial year 2016-17 on a yearly basis. The BR report is/shall be available at [www.dennetworks.com](http://www.dennetworks.com)

### SECTION E: PRINCIPLE-WISE PERFORMANCE

#### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

- Does the policy relating to ethics, bribery and corruption apply only the Company? Yes/No. Does it extend to the

#### Group/Joint Ventures/ Suppliers/ Contractors/NGOs/ Others?

The Company has a Code of Conduct that is approved by the Board of Directors and this code is applicable to all Board Members and Senior Management. The code is available on the Company’s website: [www.dennetworks.com](http://www.dennetworks.com). Additionally, as part of HR policy the Company has framed/circulated policies which deal with (i) Ethics at work place; and (ii) restraining giving and receiving of gifts and other benefits in the course of business relationship etc. These policies are applicable to the employees at all levels.

The Company’s code of conduct is applicable to all companies fall under DEN Group including external stakeholders, suppliers, contractors, NGOs etc., the Company follows zero tolerance on any acts of bribery, corruption etc. by such agencies during their dealings with the Company.

- How many stakeholders’ complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

There were no complaints received during the financial year.

Additionally on an ongoing basis the complaints / grievances / views, if any, received from employees and other stakeholders, be dealt by respective functions within the Company.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE**

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

The Company's businesses are cable distribution and Broadband services. Provided the Company doing its Business are in compliance with applicable regulations/ advisories, issued by relevant Statutory Authorities including but not limited to 'Ministry of Information & Broadcasting' and 'Telecom Regulatory Authority of India'.

- 2. For each such product, provide the following details in respect of resource use (energy, water, raw materials etc.) per unit of product (optional) including a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain and b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company's businesses are cable distribution and Broadband services. Hence, there is minimum use of resources namely energy, water, raw materials etc. The possibilities are continuously explored to conserve/reduce energy consumption.

- 3. Does the Company have procedures in place for sustainable sourcing (including transportation). If yes, what percentage of your inputs was sourced sustainably?**

The Company is engaged in the business of Cable distribution and Broadband Services. Therefore the question of over-consumption of resources, resulting to exploitation of planet, didn't arise.

- 4. Has Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors**

The Company is engaged in the business of Cable distribution and Broadband Services. The Company supports the new entrants in the business as well the regional players by distributing their network services. Towards the encouragement and development of semi-skilled / skilled work force in the country.

- 5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste. (Separately as 10%). Also, provide details thereof, in about 50 words or so.**

The business of the company does not discharge any effluent or waste.

**PRINCIPLE 3: BUSINESS SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES**

- 1. Please indicate the total number of employees:** 668 Employees as on March 31, 2017.
- 2. Please indicate the total number of employees hired on temporary/ contractual/casual basis:** 867 employees as on March 31, 2017.
- 3. Please indicate the number of permanent women employees:** 21 women employees as on March 31, 2017
- 4. Please indicate number of permanent employee with disabilities:** Nil.
- 5. Do you have employee association that is recognized by management?**  
No employee association exists
- 6. What percentage of your permanent employees are members of this recognized employee association?** NA
- 7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year:** Nil.
- 8. What percentage of your above mentioned employees were given safety and skill up-gradation training in the last year?**

The Company organizes various training sessions in-house to facilitate upgradation of skill of employees handling relevant functions, basic fire and safety training. These training are generally attended by majority of employees.

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT INTEREST OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED**

- 1. Has the Company mapped its internal and external stakeholders?**

The Company has mapped its internal and external stakeholders, the major/key categories include (i) Central and State Governments / regulatory authorities viz. the Ministry of Information & Broadcasting, the Department of Telecommunication, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, Foreign Investment Promotion Board, Stock Exchanges and Depositories & other bodies / vendors viz. Advertising Standards Council of India; (ii) Broadcasters; (iii) Business Vendors; (iv) financial institutions; (v) banks; (vi) domestic & international investors and (vii) professional service providers.

The Company is making efforts to update its stakeholders on regular basis including resolving their concern on time to time basis, create transparencies and give special treatments to the under developed stakeholders etc.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

Yes

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof**

The Company has identified the disadvantaged, vulnerable and marginalized stakeholders and making reasonable steps to resolve differences in just, fair and equitable manner. The Company motivates the underdeveloped stakeholder to compete with the current market competitors.

**PRINCIPLE 5: BUSINESS SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint ventures/ suppliers/ contractors/ NGOs/ Others?**

The company believes that an organization rests on a foundation of business ethics and valuing of human rights. At Den, we adhere to all statutes which embodies the principles of human rights such as prevention of child labour, woman empowerment etc. DEN's promotes awareness of the importance of human rights within its value chain and discourage instances of any abuse. Such policy is extending to all the group companies of DEN and other stakeholders.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

There were no complaints reported on violation of any Human rights during the financial year 2016-17.

**PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

**1. Does the policy related to principle 6 cover only the Company or extend to the Group/Joint ventures/ suppliers/ contractors/ NGOS/ Others?**

Nurturing and safeguarding the environment for long term sustainability is of prime importance. The Company has undertaken several green initiatives at all its office locations during the year. The policy is extending to all the group companies of DEN and other stakeholders.

**2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc**

No

**3. Does the company identify and assess potential environmental risks? Y/N**

No, the Company being in the business of cable distribution

and broadband, does not involve in any manufacturing activity, therefore, there are no any potential environmental risks.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No, the Company being in the business of cable distribution and broadband, does not involve in any manufacturing activity, therefore, there is no project related to Clean Development Mechanism required.

**5. Has Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc? Y/N. If yes, please give hyperlink to web page etc.**

No, the Company being in the business of cable distribution and broadband, does not involve in any manufacturing activity, therefore, there are no such initiatives in place.

**6. Are the Emissions/Waste generated by the Company within permissible limits given by CPCB/SPCB for the financial year being reported?**

Not applicable, since the Company is in the business of cable distribution and broadband, does not involve in any manufacturing activity.

**7. Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.**

Nil

**PRINCIPLE 7: BUSINESS, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

**1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.**

The Company is a member of All India Digital Cable Federation.

**2. Have you advocated/lobbied through above associations for advancement or improvement of public good? Yes/No; If yes, specify the broad areas**

The Company has been active in various business associations and supports / advocates on various issues for better viewer experience.

**PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**1. Does the Company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8?**

The Company undertakes to minimize the negative impact on society caused through its business and make effort to

complement and support the development priorities at local and national levels, and ensure appropriate resettlement and rehabilitation of the community at large.

The Company has associated with a NGO named "Goonj". Under the said project, the Company encourages its employees to take all the steps for supporting Girl child development through distribution of clothes for girl child, celebrating festivals with them, health care, teaching & learning etc.

**2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organisation?**

The project undertaken by an external NGO and the Company is associated with them.

**3. Have you done any impact assessment of your initiative?**

Broadly, the company assessed that this initiative has supported to Girl child's development through distribution of clothes, health care, teaching & learning etc.

**4. What is Company's direct contribution to community development projects Amount in INR and the details of the projects undertaken?**

In the absence of adequate profits in last three consecutive financial years, the Company is not required to spend towards the CSR. However, the Company has supported to Girl child's development through distribution of clothes, health care, teaching & learning etc. which can't be quantified in INR.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

Yes

**PRINCIPLE 9: BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER**

**1. What percentage of customer complaints/ consumer cases as on the end of financial year?**

The Company is engaged in the cable distribution and broadband, catering to around 13 Million subscribers. The Company is bound by and complies with the Quality of Service Regulations of TRAI. As a corporate policy, the Company is fully dedicated towards providing the best services to the consumers including providing resolution to their complaints / queries within the shortest possible time.

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws?**

Not applicable

**3. Is there any case filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising and or anti-competitive behavior during the last five years and pending as of end of financial year?**

Nil

**4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

The Company carries out studies from time to time on customer satisfaction and related areas through consulting firms.



**Standalone  
Ind AS Financial  
Statements**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF DEN NETWORKS LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **DEN NETWORKS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

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

### Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements,

whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including (Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements- Refer Note 31(b) to the standalone Ind AS financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note 48 to the standalone Ind AS financial statements.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company- Refer Note 52 to the standalone Ind AS financial statements.
- iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8 November, 2016 of the Ministry of Finance, during

the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management - Refer Note 14 B to the standalone Ind AS financial statements

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

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

Place : Kolkata  
Date : 22 May, 2017

## **“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT**

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

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

We have audited the internal financial controls over financial reporting of **DEN NETWORKS LIMITED** (“the Company”) as of 31 March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone Ind AS financial statements.

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

Place: Kolkata  
Date : 22 May, 2017

## “ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

### (Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

(i) In respect of its fixed assets (‘Property, plant and equipment’):

- 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, broadband customer premises equipment (CPE) which are in possession of customers/ third parties and distribution equipment comprising overhead and underground cables. Management is of the view that it is not possible to physically verify these assets due to their nature and location. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, the existence of set top boxes and CPE installed at customer premises is verified on the basis of the ‘active user’ status in the system. No material discrepancies were noticed on such verification.

In our opinion, other than for physical verification of set top boxes, broadband customer premises equipment (CPE) 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.

- c. The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted 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 which:
- a. The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company’s interest.
  - b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - c. There is no amount overdue for more than 90 days at the balance sheet date.
- (iv) In our opinion and according to the information and

explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. The Company does not have any unclaimed deposits and accordingly the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and the Cost Records and Audit (Telecommunication Industry) Rules prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:

- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, the Company’s operations did not give rise to any Excise Duty.
- b. There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable other than the dues related to entertainment tax, the details of which are given below:

Name of Statute	Nature of Dues	Amount involved (Rs. in million)	Period to which the amount relates	Due date
Delhi Entertainment Tax Act, 1996	Entertainment Tax	8.52	April 2016 to September 2016	Within 7 days from the expiry of each month

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

- c. Details of dues of Sales Tax, Value Added Tax and Customs

Duty which have not been deposited as on 31 March, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Unpaid (Rs. in million)
The Uttar Pradesh Value Added Tax Act, 2008	Value added tax	Deputy Commissioner	April 2012 to March 2017	462.72
Bihar Value Added Tax Act, 2005	Value added tax	Deputy Commissioner of Commercial Tax	April 2012 to March 2015	100.33
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 2010 and April 2014 to March 2015	147.71
Karnataka Value Added Tax and CST Act, 2003	Value added tax and Central Sales Tax	High Court/Deputy Commissioner (Appeals)	April 2010 to March 2011	35.27
Delhi Value Added Tax Act, 2004	Value Added Tax	Special Commissioner- Department of trade and taxes	April 2014 to March 2015	0.40
Kerala Value Added Tax and CST Act, 2003	Value added tax and Central Sales Tax	Assistant Commissioner Appeals, Commercial Taxes	April 2011 to March 2013 and April 2015 to March 2016	190.63
Kerala Value Added Tax and CST Act, 2003	Value added tax and Central Sales Tax	High Court	April 2013 to March 2014	31.75
Haryana Value Added Tax Act, 2003	Value added tax	Deputy Commissioner	April, 2015 to March, 2016	-
<b>Sub Total of Sales Tax and Value Added Tax</b>				<b>968.81*</b>
Custom Act, 1962	Custom Duty	Directorate of Revenue Intelligence	February 2012 to December 2016	130.14**

\*Net of Rs. 94.03 million under protest.

\*\*Net of Rs. 89.94 million under protest.

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

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowing from government nor has it issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the

details of related party transactions have been disclosed in the standalone Ind AS financial statements etc. as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us, the Company has made preferential allotment of shares during the year under review.

In respect of the above issue, we further report that:

- the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.

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

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

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

Place : Kolkata  
Date : 22 May, 2017



## BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note No.	As at	As at	As at
		31.03.2017 (Rs. In million)	31.03.2016 (Rs. In million)	01.04.2015 (Rs. In million)
<b>A. ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, plant and equipment	3A	8,343.84	8,787.27	6,695.76
(b) Capital work-in-progress	3A	406.93	1,150.86	931.94
(c) Other intangible assets	3B	83.84	84.39	51.17
(d) Financial assets				
(i) Investments				
(a) in subsidiaries	4	4,884.99	4,859.71	5,161.94
(b) in associates	5	502.89	857.34	502.89
(c) in joint ventures	6	-	150.00	75.00
(ii) Finance lease receivables	7	-	22.86	227.78
(iii) Other financial assets	8	34.08	36.11	62.08
(e) Non current tax assets (net)	9	1,090.49	1,116.59	914.60
(f) Deferred tax assets (net)	30(d)	209.22	209.22	221.23
(g) Other non-current assets	11	356.21	271.42	254.27
<b>Total non-current assets</b>		<b>15,912.49</b>	<b>17,545.77</b>	<b>15,098.66</b>
<b>2. Current assets</b>				
(a) Financial assets				
(i) Other investments	12	266.79	357.28	1,337.72
(ii) Trade receivables	13	3,188.78	3,347.50	3,009.51
(iii) Cash and cash equivalents	14	452.95	1,303.52	751.27
(iv) Bank balances other than cash and cash equivalents	15	2,337.58	3,201.99	6,603.76
(v) Loans	10	437.32	623.20	650.51
(vi) Finance lease receivables	7	155.02	393.09	443.30
(vii) Other financial assets	8	720.86	739.43	1,274.12
(b) Other current assets	11	316.01	621.16	304.51
<b>Total current assets</b>		<b>7,875.31</b>	<b>10,587.17</b>	<b>14,374.70</b>
<b>Total assets</b>		<b>23,787.80</b>	<b>28,132.94</b>	<b>29,473.36</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	16	1,935.68	1,777.42	1,777.42
(b) Other equity	17	7,648.03	8,852.14	12,367.45
<b>Total equity</b>		<b>9,583.71</b>	<b>10,629.56</b>	<b>14,144.87</b>
<b>Liabilities</b>				
<b>1. Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	1,873.19	3,173.82	3,357.86
(ii) Other financial liabilities	22	4.99	2.69	3.09
(b) Provisions	19	55.92	52.96	41.89
(c) Other non-current liabilities	23	3,162.21	2,868.00	1,802.47
<b>Total non-current liabilities</b>		<b>5,096.31</b>	<b>6,097.47</b>	<b>5,205.31</b>
<b>2. Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	20	1,146.32	2,764.22	3,715.30
(ii) Trade payables	21	3,922.19	3,334.84	2,388.02
(iii) Other financial liabilities	22	2,711.41	3,955.92	3,044.07
(b) Provisions	19	47.00	45.10	32.06
(c) Other current liabilities	23	1,280.86	1,305.83	943.73
<b>Total current liabilities</b>		<b>9,107.78</b>	<b>11,405.91</b>	<b>10,123.18</b>
<b>Total liabilities</b>		<b>14,204.09</b>	<b>17,503.38</b>	<b>15,328.49</b>
<b>Total equity and liabilities</b>		<b>23,787.80</b>	<b>28,132.94</b>	<b>29,473.36</b>
See accompanying notes to the financial statements	1 to 55			

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

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

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

**Ajaya Chand**  
Director  
DIN: 02334456

**Manish Dawar**  
Group Chief Financial Officer

**Jatin Mahajan**  
Company Secretary

Kolkata  
22 May, 2017

New Delhi  
22 May, 2017

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars		Note No.	Year ended	Year ended
			31.03.2017	31.03.2016
			(Rs. In million)	(Rs. In million)
<b>1.</b>	<b>Income</b>			
	(a) Revenue from operations	24	9,807.87	8,736.43
	(b) Other income	25	484.20	764.64
<b>2.</b>	<b>Total income</b>		<b>10,292.07</b>	<b>9,501.07</b>
<b>3.</b>	<b>Expenses</b>			
	(a) Content cost		4,358.91	3,604.24
	(b) Placement fees		1,733.00	2,321.21
	(c) Employee benefits expense	26	913.52	910.40
	(d) Finance costs	27	633.93	763.00
	(e) Depreciation and amortisation expense	3A, 3B	2,128.19	1,479.49
	(f) Other expenses	28	2,446.55	3,488.49
<b>4.</b>	<b>Total expenses</b>		<b>12,214.10</b>	<b>12,566.83</b>
<b>5.</b>	<b>Profit / (Loss) before exceptional items and tax expense (2-4)</b>		(1,922.03)	(3,065.76)
<b>6.</b>	<b>Exceptional items</b>	29	645.58	493.30
<b>7.</b>	<b>Profit / (Loss) before tax (5-6)</b>		<b>(2,567.61)</b>	<b>(3,559.06)</b>
<b>8.</b>	<b>Tax expense</b>			
	(a) Current tax	30(a)	-	(4.09)
	(b) Deferred tax	30(b)	-	12.01
<b>9.</b>	<b>Total tax expense</b>		-	<b>7.92</b>
<b>10.</b>	<b>Profit / (Loss) after tax (7-9)</b>		<b>(2,567.61)</b>	<b>(3,566.98)</b>
<b>11.</b>	<b>Other comprehensive income</b>			
	(i) Items that will not be reclassified to profit or loss:	36		
	(a) Remeasurement of defined benefit obligations		6.67	(0.88)
<b>12.</b>	<b>Total other comprehensive income/(loss)</b>		<b>6.67</b>	<b>(0.88)</b>
<b>13.</b>	<b>Total comprehensive income/(loss) for the year (10+12)</b>		<b>(2,560.94)</b>	<b>(3,567.86)</b>
<b>14.</b>	<b>Earnings per equity share (EPS)</b>	37		
	(Face value of Rs. 10 per share)			
	Basic (in Rs.)		(13.86)	(20.02)
	Diluted (in Rs.)		(13.86)	(20.02)
	See accompanying notes to the financial statements	1 to 55		

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

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

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

**Ajaya Chand**  
Director  
DIN: 02334456

**Manish Dawar**  
Group Chief Financial Officer

**Jatin Mahajan**  
Company Secretary

Kolkata  
22 May, 2017

New Delhi  
22 May, 2017





## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
	(Rs. In million)	(Rs. In million)
<b>A. Cash flow from operating activities</b>		
Profit / (Loss) after tax	(2,567.61)	(3,566.98)
Adjustments for :		
Income tax expense recognised in profit or loss	-	7.92
Depreciation and amortisation expense	2,128.19	1,479.49
Finance costs	633.93	763.00
Share-based payments to employees	107.02	52.55
Provision for impairment in value of investments in subsidiary companies	210.00	234.37
Provision for impairment in value of investments in associate	248.42	-
Provision for capital-work-in-progress	19.53	-
Net gain on foreign currency transactions and translation	(43.39)	-
Allowance on trade receivables and advances	194.73	1,019.96
Property, plant and equipment/ capital work in progress written off	1.07	30.54
Loss on disposal of property, plant and equipment	1.58	1.47
Interest income earned on financial assets and income tax refund	(406.61)	(631.55)
Net gain on sale of current investments	(32.38)	(65.52)
Loss on sale of non-current investments	130.53	5.00
Profit on disposal of non-current investments in joint venture	-	(378.50)
Dividend income from current and non-current investments	(1.82)	(67.57)
Liabilities/ excess provisions written back (net)	(95.23)	(32.86)
<b>Operating profit/ (Loss) before working capital changes</b>	<b>527.96</b>	<b>(1,148.68)</b>
Changes in working capital:		
<u>Adjustments for (increase)/ decrease in operating assets:</u>		
Trade receivables	(6.45)	(1,200.06)
Other current assets	305.15	(316.65)
Other non-current assets	(110.17)	(199.11)
Other current financial assets	(125.14)	203.77
Other non-current financial assets	1.98	16.23
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	732.64	978.80
Other financial liabilities - current	(194.63)	(50.56)
Other financial liabilities - non-current	2.30	(0.40)
Other non-financial liabilities - current	(24.97)	362.10
Other non-financial liabilities - non-current	294.21	1,065.53
Provisions - current	1.90	13.04
Provisions - non-current	2.96	11.07
Cash generated from/ (used in) operations	1,407.74	(264.92)
Net income tax refunds/(paid)	26.10	(197.90)
<b>Net cash flow from/ (used in) operating activities</b>	<b>(A) 1,433.84</b>	<b>(462.82)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on property, plant and equipment including capital advances	(1,506.73)	(3,073.58)
Proceeds from sale of property, plant and equipment	380.28	394.67
Bank balances not considered as Cash and cash equivalents		
- Placed	864.41	3,401.77
Current investments not considered as Cash and cash equivalents:		
- Purchased	(2,870.57)	(2,579.40)
- Proceeds from sale	2,993.44	3,625.36
Share application money		
- Refund received	-	11.21
Purchase/acquisition of non-current investments:		
- Subsidiaries	(209.58)	(606.54)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
	(Rs. In million)	(Rs. In million)
Proceeds from disposal of non-current investments		
- Subsidiaries	19.20	215.00
- Associates	80.00	-
- Joint ventures	-	403.50
Dividend on		
- Non-current investments	1.77	67.57
- Current investments	0.05	-
Loan		
- Given	(174.73)	(799.59)
- Realised	350.61	826.90
Advance given for investments	0.05	0.40
Interest received	436.30	818.70
<b>Net cash from investing activities (B)</b>	<b>364.50</b>	<b>2,705.97</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	1,424.34	-
Share issue expenses	(16.27)	-
Borrowings- non current		
- Proceeds	1,889.51	1,834.74
- Repayments	(3,230.13)	(2,492.64)
Borrowings- current		
- Proceeds	283.80	85.48
- Repayments	(2,340.88)	(350.00)
Finance costs	(659.28)	(768.48)
Net cash from financing activities (C)	<b>(2,648.91)</b>	<b>(1,690.90)</b>
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(850.57)	552.25
Cash and cash equivalents as at the beginning of the year	1,303.52	751.27
<b>Cash and cash equivalents as at the end of the year (See note 14)*</b>	<b>452.95</b>	<b>1,303.52</b>
* Comprises:		
a. Cash on hand	14.34	3.34
b. Cheques on hand	-	87.37
c. Balance with scheduled banks		
i. in current accounts	288.61	934.07
ii. in deposit accounts		
-original maturity of 3 months or less	150.00	278.74
	<b>452.95</b>	<b>1,303.52</b>
See accompanying notes to the financial statements	1 to 55	

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

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

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

**Ajaya Chand**  
Director  
DIN: 02334456

**Manish Dawar**  
Group Chief Financial Officer

**Jatin Mahajan**  
Company Secretary

Kolkata  
22 May, 2017

New Delhi  
22 May, 2017



## STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2017

### a. Equity share capital

(Rs. In million)

Particulars	Amount
<b>Balance at 1 April, 2015</b>	<b>1,777.42</b>
Changes in equity share capital during the year	
Issue of equity shares (See note 16)	-
<b>Balance at 31 March, 2016</b>	<b>1,777.42</b>
Changes in equity share capital during the year	
Issue of equity shares (See note 44)	158.26
<b>Balance at 31 March, 2017</b>	<b>1,935.68</b>

### b. Other equity

(Rs. In million)

Particulars	Reserves and Surplus				Total
	Securities premium	General reserve	Equity-settled employee benefits reserve	Retained earnings	
Balance at 1 April, 2015	15,127.09	202.86	8.67	(2,971.17)	12,367.45
Profit/(Loss) for the year	-	-	-	(3,566.98)	(3,566.98)
Other Comprehensive income for the year	-	-	-	(0.88)	(0.88)
ESOP compensation expense (See note 26)	-	-	52.55	-	52.55
<b>Balance at 31 March, 2016</b>	<b>15,127.09</b>	<b>202.86</b>	<b>61.22</b>	<b>(6,539.03)</b>	<b>8,852.14</b>
Profit/(Loss) for the year	-	-	-	(2,567.61)	(2,567.61)
Other Comprehensive income for the year	-	-	-	6.67	6.67
Premium on shares issued during the year (See note 44)	1,266.08	-	-	-	1,266.08
Share issue expenses	(16.27)	-	-	-	(16.27)
ESOP compensation expense (See note 26)	-	-	107.02	-	107.02
<b>Balance at 31 March, 2017</b>	<b>16,376.90</b>	<b>202.86</b>	<b>168.24</b>	<b>(9,099.97)</b>	<b>7,648.03</b>

See accompanying notes to the financial statements

1 to 55

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

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

**Alka Chadha**  
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(Membership No. 93474)

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Group Chief Financial Officer

**Jatin Mahajan**  
Company Secretary

Kolkata  
22 May, 2017

New Delhi  
22 May, 2017

## NOTES TO THE FINANCIAL STATEMENTS

### DEN NETWORKS LIMITED

#### NOTES TO THE FINANCIAL STATEMENTS

##### 1. Corporate information

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

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

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

##### 2. Significant accounting policies

###### 2.01 Basis of preparation

###### (i) Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended 31 March, 2016, the Company prepared its financial statements in accordance with the requirements of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April, 2015. Refer note 2.02 for the details of the first-time adoption exemptions availed by the Company.

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

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

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

Fair value is the price that would be received to sell an

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

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

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

###### 2.02 First-time adoption – mandatory exceptions, optional exemptions

###### Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below.

###### Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April, 2015 (the transition date).

###### Accounting for changes in parent's ownership in a subsidiary

## NOTES TO THE FINANCIAL STATEMENTS

### that does not result in a loss of control

The Company has accounted for changes in a parent's ownership in a subsidiary that does not result in a loss of control in accordance with Ind AS 110, prospectively from the date of transition.

### Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

### Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

### Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

### Deemed cost for property, plant and equipment, and intangible assets

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

### Deemed cost for equity investments in subsidiaries, associates and joint ventures

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

### Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 'Determining whether an Arrangement contains a Lease' to determine whether an arrangement existing at the transition

date contains a lease on the basis of facts and circumstances existing at that date.

### Treatment of exchange differences

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are accounted for in Statement of Profit and Loss.

The Company has availed the exemption and continues the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP, i.e. 31 March, 2016.

## **2.03 Cash and cash equivalents**

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

## **2.04 Cash flow statement**

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

## **2.05 Property, plant and equipment**

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2015 (transition date) measured as per the previous GAAP as their deemed cost as of the transition date.

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

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

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using

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

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

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

### 2.06 Intangible assets

#### Intangible assets acquired separately

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

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

#### Derecognition of intangible assets

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

#### Useful lives of intangible assets

Estimated useful life of the intangible assets are:

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

#### Deemed cost on transition to Ind AS

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

### 2.07 Impairment of tangible and intangible assets

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

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying

## NOTES TO THE FINANCIAL STATEMENTS

amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

### 2.08 Revenue recognition

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

#### i. Rendering of services

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

#### ii. Sale of goods (equipment)

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

- a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c) the amount of revenue can be measured reliably
- d) it is probable that the economic benefits associated

with the transaction will flow to the Company; and

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

### 2.09 Other income

#### Dividend income and interest income

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

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

### 2.10 Share-based payment arrangements

#### Share-based payment transactions of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39.

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

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

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

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### 2.11 Foreign Currencies

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

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

#### Treatment of exchange differences

The exchange differences on monetary items are recognised in Profit or Loss in the period in which they arise.

### 2.12 Financial instruments

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

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

#### **Investment in subsidiaries**

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

#### **Investment in joint ventures and associates**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities

require unanimous consent of the parties sharing control. An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

#### **Financial assets**

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

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

#### **Classification of financial assets**

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

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

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

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

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



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debt instruments through other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

### **Effective interest method**

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

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

### **Investments in equity instruments at FVTOCI**

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

A financial asset is held for trading if:

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

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

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

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

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

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

### **Impairment of financial assets**

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

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

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### **Derecognition of financial assets**

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

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risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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

### **Foreign exchange gains and losses**

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

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

### **2.13 Financial liabilities and equity instruments**

#### Classification as debt or equity

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

#### Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss

is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### Financial liabilities

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

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

#### a) Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in

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profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

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

b) Financial liabilities subsequently measured at amortised cost

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

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

c) Foreign exchange gains and losses

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

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

d) Derecognition of financial liabilities

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

### 2.14 Employee benefit costs

#### Retirement benefits costs and termination benefits

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

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

- a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b. net interest expense or income; and
- c. remeasurement

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

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

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

### Short-term and other long-term employee benefits

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

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

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

### Contributions from employees or third parties to defined benefit plans

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

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

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

### 2.15 Segment information

The Company determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Company's performance and allocates resources based

on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

### 2.16 Leases

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

#### **The Company as lessor :**

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

#### **The Company as lessee :**

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

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

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

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

### 2.17 Borrowing costs

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

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those assets, until such time as the assets are substantially ready for their intended use or sale.

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

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

### 2.18 Earnings per share

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

### 2.19 Taxation

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

#### Current tax

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

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax

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

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

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

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

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

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### 2.20 Provisions

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

## NOTES TO THE FINANCIAL STATEMENTS

of the obligation.

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

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

### 2.20.1 Onerous contracts

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

### 2.20.2 Restructurings

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

### 2.20.3 Contingent liabilities acquired in a business combination

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

## 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, if any is expensed in the Statement of Profit and Loss.

## 2.22 Insurance claims

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

## 2.23 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/ utilising the credits.

## 2.24 Critical accounting judgements and key sources of estimation uncertainty

### Critical accounting judgements

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

### Contingent liabilities

Assessment of whether outflow embodying economic benefits is probable, possible or remote. (See note 31)

### Control and significant influence

Whether the Company, through voting rights and potential voting rights attached to shares held, or by way of shareholders agreements or other factors, has the ability to direct the relevant activities of the subsidiaries, or jointly direct the relevant activities of its joint ventures or exercise significant influence over associates. (See notes 4,5 and 6)

### **Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Useful lives of property, plant and equipment (see note 2.05)

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There is no such change in the useful life of the assets.

### Fair value measurements and valuation processes (see note 2.12)

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with qualified external valuers to

## NOTES TO THE FINANCIAL STATEMENTS

establish the appropriate valuation techniques and inputs to the model.

### Defined benefit obligations

Key assumptions related to life expectancies, salary increases and withdrawal rates (see note 36).

### Revenue recognition (see note 2.08)

### Impairment testing of investments (see note 2.12)

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

### **2.25 Operating Cycle**

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

### **2.26 Standards issued but not yet effective:**

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

#### **Amendment to Ind AS 7:**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between

the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and its impact on its cash flows, which are not expected to be material.

#### **Amendment to Ind AS 102:**

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company does not have any scheme of share based payments and hence the requirements of the amendment will not have any impact of the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 3:

#### 3A Property, plant and equipment

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Carrying amounts of :</b>			
a) Leasehold improvements	3.29	6.73	8.69
b) Plant and equipment			
(i) Headend and distribution equipment	1,812.63	1,825.63	1,255.64
(ii) Set top boxes	6,237.18	6,700.32	5,307.94
(iii) Modems and routers	200.58	141.30	26.89
(iv) Computers	13.14	18.32	16.94
(v) Office and other equipment	59.35	71.87	56.55
c) Furniture and fixtures	3.05	2.95	2.06
d) Vehicles	14.62	20.15	21.05
	<b>8,343.84</b>	<b>8,787.27</b>	<b>6,695.76</b>
Capital work-in-progress	406.93	1,150.86	931.94
	<b>8,750.77</b>	<b>9,938.13</b>	<b>7,627.70</b>

(Rs. in million)

	Leasehold improvements	Plant and equipment					Furniture and fixtures	Vehicles	Total
		Headend and distribution equipment	Set top boxes	Modems and routers	Computers	Office and other equipment			
<b>Deemed cost</b>									
Balance at 1 April, 2015	8.69	1,255.64	5,307.94	26.89	16.94	56.55	2.06	21.05	6,695.76
Additions	2.66	847.13	2,521.55	141.91	14.00	29.74	1.51	8.11	3,566.61
Disposals	-	(19.85)	-	(7.91)	(0.21)	(0.03)	(0.01)	(3.02)	(31.03)
<b>Balance at 31 March, 2016</b>	<b>11.35</b>	<b>2,082.92</b>	<b>7,829.49</b>	<b>160.89</b>	<b>30.73</b>	<b>86.26</b>	<b>3.56</b>	<b>26.14</b>	<b>10,231.34</b>
Additions	0.90	360.00	1,158.50	132.76	4.58	6.34	0.93	0.23	1,664.24
Disposals	-	(11.24)	(43.62)	(4.05)	(0.37)	(2.17)	(0.06)	(0.09)	(61.60)
<b>Balance at 31 March, 2017</b>	<b>12.25</b>	<b>2,431.68</b>	<b>8,944.37</b>	<b>289.60</b>	<b>34.94</b>	<b>90.43</b>	<b>4.43</b>	<b>26.28</b>	<b>11,833.98</b>
<b>Accumulated depreciation</b>									
Balance at 1 April, 2015	-	-	-	-	-	-	-	-	-
Depreciation expense	4.62	257.61	1,129.17	19.59	12.42	14.40	0.61	7.03	1,445.45
Elimination on disposals of assets	-	(0.32)	-	-	(0.01)	(0.01)	-	(1.04)	(1.38)
<b>Balance at 31 March, 2016</b>	<b>4.62</b>	<b>257.29</b>	<b>1,129.17</b>	<b>19.59</b>	<b>12.41</b>	<b>14.39</b>	<b>0.61</b>	<b>5.99</b>	<b>1,444.07</b>
Depreciation expenses	4.34	367.05	1,620.72	73.48	9.74	17.89	0.79	5.70	2,099.71
Elimination on disposals of assets	-	(5.29)	(42.70)	(4.05)	(0.35)	(1.20)	(0.02)	(0.03)	(53.64)
<b>Balance at 31 March, 2017</b>	<b>8.96</b>	<b>619.05</b>	<b>2,707.19</b>	<b>89.02</b>	<b>21.80</b>	<b>31.08</b>	<b>1.38</b>	<b>11.66</b>	<b>3,490.14</b>
<b>Carrying amount</b>									
Balance at 1 April, 2015	8.69	1,255.64	5,307.94	26.89	16.94	56.55	2.06	21.05	6,695.76
Additions	2.66	847.13	2,521.55	141.91	14.00	29.74	1.51	8.11	3,566.61
Disposals	-	(19.53)	-	(7.91)	(0.20)	(0.02)	(0.01)	(1.98)	(29.65)
Depreciation expense	4.62	257.61	1,129.17	19.59	12.42	14.40	0.61	7.03	1,445.45
<b>Balance at 31 March, 2016</b>	<b>6.73</b>	<b>1,825.63</b>	<b>6,700.32</b>	<b>141.30</b>	<b>18.32</b>	<b>71.87</b>	<b>2.95</b>	<b>20.15</b>	<b>8,787.27</b>
Additions	0.90	360.00	1,158.50	132.76	4.58	6.34	0.93	0.23	1,664.24
Disposals	0.00	(5.95)	(0.92)	0.00	(0.02)	(0.97)	(0.04)	(0.06)	(7.96)
Depreciation expense	4.34	367.05	1,620.72	73.48	9.74	17.89	0.79	5.70	2,099.71
<b>Balance at 31 March, 2017</b>	<b>3.29</b>	<b>1,812.63</b>	<b>6,237.18</b>	<b>200.58</b>	<b>13.14</b>	<b>59.35</b>	<b>3.05</b>	<b>14.62</b>	<b>8,343.84</b>

#### Note:

Property, plant and equipment with a carrying amount of Rs. 7,405.38 million (as at 31 March, 2016: Rs. 7,620.03 million; as at 1 April, 2015: Rs. 5,301.71 million) has been pledged to secure term loans from banks under a mortgage (see note 18, note 20 and note 22). The Company is not permitted to pledge these assets as security for other borrowings or to sell them to another entity.



## NOTES TO THE FINANCIAL STATEMENTS

In addition, the Company's obligations under finance leases (see note 18 and note 22) are secured by the lessors' title to the leased assets, which have a carrying amount of Rs. 938.46 million (as at 31 March, 2016: Rs. 1,167.24 million; as at 1 April, 2015: Rs. 1,394.05 million).

### 3B Other intangible assets

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Carrying amounts of:</b>			
a) Distribution and network rights	41.97	54.37	38.86
b) Software	40.90	28.90	11.09
c) Licence fee for internet service	0.67	0.72	0.72
d) Non compete fees	0.30	0.40	0.50
	<b>83.84</b>	<b>84.39</b>	<b>51.17</b>

(Rs. in million)

	Distribution and network rights	Software	Licence fee for internet service	Non compete fees	Total
<b>Deemed cost</b>					
Balance at 1 April, 2015	<b>38.86</b>	<b>11.09</b>	<b>0.72</b>	<b>0.50</b>	<b>51.17</b>
Additions	42.60	24.66	-	-	67.26
Disposals	-	-	-	-	-
<b>Balance at 31 March, 2016</b>	<b>81.46</b>	<b>35.75</b>	<b>0.72</b>	<b>0.50</b>	<b>118.43</b>
Additions	3.37	24.56	-	-	27.93
Disposals	-	-	-	-	-
<b>Balance at 31 March, 2017</b>	<b>84.83</b>	<b>60.31</b>	<b>0.72</b>	<b>0.50</b>	<b>146.36</b>
<b>Accumulated depreciation</b>					
Balance at 1 April, 2015	-	-	-	-	-
Amortisation expense	27.09	6.85	-	0.10	34.04
Disposals	-	-	-	-	-
<b>Balance at 31 March, 2016</b>	<b>27.09</b>	<b>6.85</b>	<b>-</b>	<b>0.10</b>	<b>34.04</b>
Amortisation expense	15.77	12.56	0.05	0.10	28.48
Disposals	-	-	-	-	-
<b>Balance at 31 March, 2017</b>	<b>42.86</b>	<b>19.41</b>	<b>0.05</b>	<b>0.20</b>	<b>62.52</b>
<b>Carrying amount</b>					
Balance at 1 April, 2015	38.86	11.09	0.72	0.50	<b>51.17</b>
Additions	42.60	24.66	-	-	67.26
Disposals	-	-	-	-	-
Amortisation expense	27.09	6.85	-	0.10	34.04
<b>Balance at 31 March, 2016</b>	<b>54.37</b>	<b>28.90</b>	<b>0.72</b>	<b>0.40</b>	<b>84.39</b>
Additions	3.37	24.56	-	-	27.93
Disposals	-	-	-	-	-
Amortisation expense	15.77	12.56	0.05	0.10	28.48
<b>Balance at 31 March, 2017</b>	<b>41.97</b>	<b>40.90</b>	<b>0.67</b>	<b>0.30</b>	<b>83.84</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 4. Investments (See note below)

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

		Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
1	Den Futuristic Cable Networks Private Limited, (face value of Rs 10 per share)	1,160,028	115.10	1,160,028	115.10	1,160,028	115.10
2	Den Entertainment Network Private Limited, (face value of Rs 10 per share)	7,237,200	357.94	7,237,200	357.94	7,237,200	357.94
3	Aster Entertainment Private Limited, (face value of Rs 10 per share)	590,000	54.50	590,000	54.50	590,000	54.50
4	DEN Digital Entertainment Gujarat Private Limited, (face value of Rs 10 per share)	1,000,000	128.00	1,000,000	128.00	1,000,000	128.00
5	Shine Cable Network Private Limited, (face value of Rs 10 per share)	250,000	12.50	250,000	12.50	250,000	12.50
6	Mahavir Den Entertainment Private Limited, (face value of Rs 10 per share)	109,236	17.11	109,236	17.11	109,236	17.11
7	Matrix Cable Network Private Limited, (face value of Rs 10 per share)	1,205,334	17.60	1,205,334	17.60	1,205,334	17.60
8	Den Ambey Cable Networks Private Limited, (face value of Rs 10 per share)	45,838	153.34	45,838	153.34	43,265	142.14
9	Den-Manoranjan Satellite Private Limited, (face value of Rs 10 per share)	3,570	138.61	3,570	138.61	3,570	138.61
10	Meerut Cable Network Private Limited, (face value of Rs 10 per share)	51,000	83.41	51,000	83.41	51,000	83.41
11	Den Krishna Cable TV Network Private Limited, (face value of Rs 10 per share)	70,935	79.95	70,935	79.95	70,935	79.95
12	Shree Siddhivinayak Cable Network Private Limited, (face value of Rs 10 per share)	25,500	25.77	25,500	25.77	25,500	25.77
13	Den Pawan Cable Network Private Limited, (face value of Rs 10 per share)	43,053	61.16	43,053	61.16	43,053	61.16
14	Mahadev Den Network Private Limited, (face value of Rs 10 per share)	2,111,400	48.78	2,111,400	48.78	2,111,400	48.78
15	Mahadev Den Cable Network Private Limited, (face value of Rs 10 per share)	45,899	28.03	45,899	28.03	45,899	28.03
16	Den Mod Max Cable Network Private Limited, (face value of Rs 10 per share)	26,300	12.27	26,300	12.27	26,300	12.27
17	DEN BCN Suncity Network Private Limited, (face value of Rs 10 per share)	27,380	10.02	27,380	10.02	27,380	10.02
18	Den Crystal Vision Network Private Limited, (face value of Rs 10 per share)	29,150	8.18	29,150	8.18	29,150	8.18
19	Den Patel Entertainment Network Private Limited, (face value of Rs 10 per share)	45,900	14.55	45,900	14.55	45,900	14.55
20	Den Kashi Cable Network Private Limited, (face value of Rs 10 per share)	25,501	5.01	25,501	5.01	25,501	5.01
21	Den Harsh Mann Cable Network Private Limited, (face value of Rs 10 per share)	27,565	3.32	27,565	3.32	27,565	3.32
22	Den Mahendra Satellite Private Limited, (face value of Rs 10 per share)	33,300	3.01	33,300	3.01	33,300	3.01
23	Den Prince Network Private Limited, (face value of Rs 10 per share)	27,384	3.00	27,384	3.00	27,384	3.00
24	Varun Cable Network Private Limited, (face value of Rs 10 per share)	65,416	4.32	65,416	4.32	65,416	4.32
25	Den Pradeep Cable Network Private Limited, (face value of Rs 10 per share)	131,160	3.42	131,160	3.42	131,160	3.42



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		Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
26	DEN Ashu Cable Private Limited, (face value of Rs 10 per share)	44,702	15.96	44,702	15.96	44,702	15.96
27	DEN Bindra Network Private Limited, (face value of Rs 10 per share)	26,841	5.11	26,841	5.11	26,841	5.11
28	Den Classic Cable TV Services Private Limited, (face value of Rs 10 per share)	29,685	2.65	29,685	2.65	29,685	2.65
29	DEN Digital Cable Network Private Limited, (face value of Rs 10 per share)	52,345	144.83	30,140	132.83	30,140	132.83
30	Den Enjoy Cable Networks Private Limited, (face value of Rs 10 per share)	889,950	89.99	889,950	89.99	889,950	89.99
31	Den F K Cable TV Network Private Limited, (face value of Rs 10 per share)	58,148	39.27	58,148	39.27	58,148	39.27
32	DEN Jai Ambey Vision Cable Private Limited, (face value of Rs 10 per share)	25,624	2.10	25,624	2.10	25,624	2.10
33	Den Maa Sharda Vision Cable Networks Private Limited, (face value of Rs 10 per share)	38,684	7.25	36,199	6.83	31,230	6.00
34	DEN MCN Cable Network Private Limited, (face value of Rs 10 per share)	56,059	33.97	56,059	33.97	56,059	33.97
35	Den Mewar Rajdev Cable Network Private Limited, (face value of Rs 10 per share)	3,976,109	74.25	3,976,109	74.25	3,976,109	74.25
36	DEN Montooshah Network Private Limited, (face value of Rs 10 per share)	51,209	21.65	51,209	21.65	51,209	21.65
37	Den Radiant Satellite Cable Network Private Limited, (face value of Rs 10 per share)	35,140	1.95	35,140	1.95	35,140	1.95
38	DEN RIS Cable Network Private Limited, (face value of Rs 10 per share)	269,920	7.53	269,920	7.53	269,920	7.53
39	Den Satellite Cable TV Network Private Limited, (face value of Rs 10 per share)	31,265	5.33	31,265	5.33	31,265	5.33
40	Den Shiva Cable Network Private Limited, (face value of Rs 10 per share)	192,464	2.24	167,964	2.24	167,964	2.24
41	DEN Sky Media Network Private Limited, (face value of Rs 10 per share)	1,328,600	284.72	1,328,600	284.72	1,328,600	284.72
42	DEN Supreme Satellite Vision Private Limited, (face value of Rs 10 per share)	30,452	25.56	30,452	25.56	30,452	25.56
43	Drashti Cable Network Private Limited, (face value of Rs 10 per share)	27,325	23.00	27,325	23.00	27,325	23.00
44	DEN Fateh Marketing Private Limited, (face value of Rs 10 per share)	25,500	10.23	25,500	10.23	25,500	10.23
45	DEN Nashik City Cable Network Private Limited, (face value of Rs 10 per share)	25,500	73.59	25,500	73.59	25,500	73.59
46	Radiant Satellite (India) Private Limited, (face value of Rs 10 per share)	76,500	46.01	76,500	46.01	76,500	46.01
47	DEN Aman Entertainment Private Limited, (face value of Rs 10 per share)	30,529	4.12	30,529	4.12	30,529	4.12
48	Den Budaun Cable Network Private Limited, (face value of Rs 10 per share)	37,113	2.00	37,113	2.00	37,113	2.00
49	Den Narmada Network Private Limited, (face value of Rs 10 per share)	1,493,807	72.30	1,450,750	72.30	1,450,750	72.30
50	DEN Bellary City Cable Private Limited, (face value of Rs 10 per share)	71,548	52.68	71,548	52.68	71,548	52.68
51	Den Malayalam Telenet Private Limited, (face value of Rs 10 per share)	608,265	55.34	608,265	55.34	608,265	55.34
52	DEN ELGEE CABLE VISION PRIVATE LIMITED, (face value of Rs 10 per share)	57,252	6.38	57,252	6.38	57,252	6.38

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		Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
53	DEN RAJKOT CITY COMMUNICATION PRIVATE LIMITED), (face value of Rs 10 per share) (formerly known as Rajkot City Communication Private Limited)	5,764	100.93	5,764	100.93	5,764	100.93
54	DEN MALABAR CABLE VISION PRIVATE LIMITED, (face value of Rs 10 per share)	30,633	26.89	30,633	26.89	30,633	26.89
55	DEN Infoking Channel Entertainers Private Limited, (face value of Rs 10 per share)	249,238	81.35	249,238	81.35	249,238	81.35
56	Den UCN Network India Private Limited, (face value of Rs 10 per share)	6,210	25.79	6,210	25.79	3,167	23.09
57	Fortune (Baroda) Network Private Limited, (face value of Rs 10 per share)	51,000	36.46	51,000	36.46	51,000	36.46
58	Galaxy Den Media & Entertainment Private Limited, (face value of Rs 10 per share)	25,500	43.35	25,500	43.35	25,500	43.35
59	Bali Den Cable Network Private Limited, (face value of Rs 10 per share)	27,300	50.65	27,300	50.65	27,300	50.65
60	Den Citi Channel Private Limited, (face value of Rs 10 per share)	32,941	17.13	32,941	17.13	32,941	17.13
61	Fab Den Network Private Limited, (face value of Rs 10 per share)	108,927	49.42	108,927	49.42	108,927	49.42
62	Cab-i-Net Communications Private Limited, (face value of Rs 10 per share)	102,039	30.04	102,039	30.04	102,039	30.04
63	Den Krishna Vision Private Limited, (face value of Rs 10 per share)	25,500	3.68	25,500	3.68	25,500	3.68
64	Shri Ram DEN Network Private Limited, (face value of Rs 10 per share)	45,900	31.20	45,900	31.20	45,900	31.20
65	United Cable Network (Digital) Private Limited, (face value of Rs 10 per share)	25,500	4.60	25,500	4.60	25,500	4.60
66	Amogh Broad Band Services Private Limited, (face value of Rs 10 per share)	10,554,820	1,048.73	10,554,820	1,048.73	10,554,820	1,048.73
67	Den Sariga Communication Private Limited, (face value of Rs 10 per share)	48,939	9.77	48,939	9.77	48,939	9.77
68	Den Sahyog Cable Network Private Limited, (face value of Rs 10 per share)	25,500	1.58	25,500	1.58	25,500	1.58
69	Delhi Sports & Entertainment Private Limited, (face value of Rs 10 per share) (formerly DEN Sports & Entertainment Private Limited)	-	-	-	-	22,119,000	221.19
70	Den A.F. Communication Private Limited, (face value of Rs 10 per share)	48,931	0.49	48,931	0.49	48,931	0.49
71	Den Kattakada Telecasting and Cable Services Private Limited, (face value of Rs 10 per share)	50,775	16.41	50,775	16.41	50,775	16.41
72	Big Den Entertainment Private Limited, (face value of Rs 10 per share)	30,620	12.22	30,620	12.22	30,620	12.22
73	Sree Gokulam Starnet Communication Private Limited, (face value of Rs 10 per share)	5,100	11.53	5,100	11.53	5,100	11.53
74	Ambika Den Cable Network Private Limited, (face value of Rs 10 per share)	32,786	1.84	32,786	1.84	32,786	1.84
75	Den Steel City Cable Network Private Limited, (face value of Rs 10 per share)	30,682	8.62	30,682	8.62	30,682	8.62
76	Sanmati Den Cable TV Network Private Limited, (face value of Rs 10 per share)	28,172	9.02	28,172	9.02	28,172	9.02



## NOTES TO THE FINANCIAL STATEMENTS

		Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
77	Multi Channel Cable Network Private Limited, (face value of Rs 10 per share)	28,334	9.73	28,334	9.73	28,334	9.73
78	Victor Cable TV Network Private Limited, (face value of Rs 10 per share)	301,000	5.92	301,000	5.92	301,000	5.92
79	Gemini Cable Network Private Limited, (face value of Rs 10 per share)	51,000	5.87	51,000	5.87	51,000	5.87
80	Antique Communications Private Limited, (face value of Rs 10 per share)	29,147	1.79	29,147	1.79	29,147	1.79
81	Sanmati Entertainment Private Limited, (face value of Rs 10 per share)	30,721	3.01	30,721	3.01	30,721	3.01
82	VM Magic Entertainment Private Limited, (face value of Rs 10 per share)	25,500	12.53	25,500	12.53	25,500	12.53
83	Crystal Vision Media Private Limited, (face value of Rs 10 per share)	25,500	149.08	25,500	149.08	25,500	149.08
84	Multi Star Cable Network Private Limited, (face value of Rs 10 per share)	34,170	1.02	34,170	1.02	34,170	1.02
85	Disk Cable Network Private Limited, (face value of Rs 10 per share)	84,551	4.26	84,551	4.26	84,551	4.26
86	Shaakumabari Den Media Private Limited, (face value of Rs 10 per share)	446,700	3.28	446,700	3.28	446,700	3.28
87	Silverline Television Network Private Limited, (face value of Rs 10 per share)	38,250	15.32	38,250	15.32	38,250	15.32
88	Eminent Cable Network Private Limited, (face value of Rs 10 per share)	55,348	25.46	55,348	25.46	50,406	12.43
89	Ekta Entertainment Network Private Limited, (face value of Rs 10 per share)	60,984	10.44	60,984	10.44	60,984	10.44
90	Devine Cable Network Private Limited, (face value of Rs 10 per share)	27,190	1.17	27,190	1.17	27,190	1.17
91	Nectar Entertainment Private Limited, (face value of Rs 10 per share)	30,312	1.35	30,312	1.35	30,312	1.35
92	Trident Entertainment Private Limited, (face value of Rs 10 per share)	25,500	2.52	25,500	2.52	25,500	2.52
93	Adhunik Cable Network Private Limited, (face value of Rs 10 per share)	25,500	1.58	25,500	1.58	25,500	1.58
94	Glimpse Communications Private Limited, (face value of Rs 10 per share)	5,100	3.34	5,100	3.34	5,100	3.34
95	Indradhanush Cable Network Private Limited, (face value of Rs 10 per share)	25,500	4.27	25,500	4.27	25,500	4.27
96	Blossom Entertainment Private Limited, (face value of Rs 10 per share)	25,500	1.55	25,500	1.55	25,500	1.55
97	Multitrack Cable Network Private Limited, (face value of Rs 10 per share)	14,256	9.88	14,256	9.88	14,256	9.88
98	Rose Entertainment Private Limited, (face value of Rs 10 per share)	395,250	15.15	395,250	15.15	395,250	15.15
99	Libra Cable Networks Private Limited, (face value of Rs 10 per share)	149,775	25.11	149,775	25.11	149,775	25.11
100	Pee Cee Cable Network Private Limited, (face value of Rs 10 per share)	11,859	1.19	11,859	1.19	11,859	1.19
101	Discovery Digital Cable Network Private Limited, (face value of Rs 10 per share)	18,687	7.70	18,687	7.70	18,687	7.70
102	Mansion Cable Network Private Limited, (face value of Rs 10 per share)	3,395,558	303.51	3,395,558	303.51	3,395,558	303.51
103	Jhankar Cable Network Private Limited, (face value of Rs 10 per share)	127,500	4.01	127,500	4.01	127,500	4.01

## NOTES TO THE FINANCIAL STATEMENTS

		Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
104	Den Premium Multilink Cable Network Private Limited, (face value of Rs 10 per share)	5,100	0.05	5,100	0.05	5,100	0.05
105	Scorpio Cable Network Private Limited, (face value of Rs 10 per share)	102,000	2.51	102,000	2.51	102,000	2.51
106	Augment Cable Network Private Limited, (face value of Rs 10 per share)	51,000	3.01	51,000	3.01	51,000	3.01
107	Desire Cable Network Private Limited, (face value of Rs 10 per share)	72,675	7.52	72,675	7.52	72,675	7.52
108	Marble Cable Network Private Limited, (face value of Rs 10 per share)	98,410	3.51	98,410	3.51	98,410	3.51
109	DEN Skynet Network Pvt.Ltd., (face value of Rs 10 per share)	815,000	8.15	-	-	-	-
110	Macro Commerce Private Limited, (face value of Rs 10 per share)	13,166,666	210.00	-	-	-	-
	<b>Total aggregate unquoted investments in subsidiaries</b>		<b>4,985.38</b>		<b>4,754.81</b>		<b>4,948.26</b>
	Less : Aggregate amount of impairment in the value of investments in subsidiaries		488.01		278.01		43.65
	<b>Total investments carrying value in subsidiaries</b>		<b>4,497.37</b>		<b>4,476.80</b>		<b>4,904.61</b>

### ii. Unquoted investments in preference shares (all fully paid)

#### Instruments at FVTPL

		Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
1	Den Kashi Cable Network Private Limited (Face value of Rs. 10 each, 3% 12 years non cumulative redeemable shares)	750,000	27.96	750,000	24.68	750,000	21.78
2	Den Citi Channel Private Limited (Face value of Rs. 10 each, 13.5% 7 years non cumulative redeemable shares)	707,500	6.30	707,500	5.60	707,500	4.98
3	Gemini Cable Network Private Limited (Face value of Rs. 10 each, 13.5% 7 years non cumulative redeemable shares)	5,400,000	33.12	5,400,000	29.25	5,400,000	34.52
4	Meerut Cable Network Private Limited (Face value of Rs. 10 each, 13.5% 7 years non cumulative redeemable shares)	2,500,000	15.17	2,500,000	15.56	2,500,000	13.70
5	Mahavir Den Entertainment Private Limited (Face value of Rs. 10 each 5% 5 years non cumulative redeemable shares)	300,000	2.01	300,000	1.78	300,000	1.60
6	Amogh Broad Band Services Private Limited (Face value of Rs. 10 each, 7.5% 5 years non cumulative redeemable shares)	8,405,000	65.38	8,405,000	57.71	8,405,000	50.93
7	Mansion Cable Network Private Limited (Face value of Rs. 10 each, 10% 5 years non cumulative redeemable shares)	2,000,000	15.59	4,670,000	32.13	4,670,000	28.35
8	Platinum Cable TV Network Private Limited (Face value of Rs. 10 each, 5% 7 years non cumulative redeemable shares)	348,298	33.82	348,298	30.00	-	-

## NOTES TO THE FINANCIAL STATEMENTS

	Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
9	Den Ashu Cable Private Limited (Face value of Rs. 10 each, 5% 7 years non cumulative redeemable shares)	741,291	9.00	741,291	7.98	-
10	Ekta Entertainment Network Private Limited (Face value of Rs. 10 each, 5% 7 years non cumulative redeemable shares)	722,564	7.04	722,564	6.24	-
11	Fab Den Network Private Limited (Face value of Rs. 10 each, 5% 7 years non cumulative redeemable shares)	229,962	2.23	229,962	1.98	-
		<b>217.62</b>		<b>212.91</b>		<b>157.26</b>

### iii. Deemed equity

#### Instruments at FVTPL

	Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
1	Den Kashi Cable Network Private Limited	15.72		15.72		15.72
2	Den Citi Channel Private Limited	2.10		2.10		2.10
3	Gemini Cable Network Private Limited	28.37		28.37		19.48
4	Meerut Cable Network Private Limited	11.30		11.30		11.30
5	Mahavir Den Entertainment Private Limited	1.40		1.40		1.40
6	Amogh Broad Band Services Private Limited	33.12		33.12		33.12
7	Mansion Cable Network Private Limited	18.35		18.35		18.35
8	Platinum Cable TV Network Private Limited	39.66		39.66		-
9	Den Ashu Cable Private Limited	10.55		10.55		-
10	Ekta Entertainment Network Private Limited	6.81		6.81		-
11	Fab Den Network Private Limited	2.62		2.62		-
		<b>170.00</b>		<b>170.00</b>		<b>101.47</b>
<b>Total aggregate unquoted investments</b>		<b>4,884.99</b>		<b>4,859.71</b>		<b>5,163.34</b>
<b>Total investments carrying value</b>		<b>4,884.99</b>		<b>4,859.71</b>		<b>5,163.34</b>
<b>Aggregate carrying value of unquoted investments</b>		4,884.99		4,859.71		5,163.34
<b>Aggregate amount of impairment in value of investments</b>		488.01		278.01		43.65

#### Notes :

- Of the above 37,843,195 (31 March, 2016 31,923,370 ; as at 1 April, 2015 34,042,370) equity shares having carrying and investment value of Rs. 4,877.95 million (31 March, 2016 Rs. 4,472.41 million ; as at 1 April, 2015 Rs 4,493.60 million ) and Rs. 4,708.05 million (31 March, 2016 Rs. 4,302.51 million ; 1 April, 2015 Rs. 4,393.53 million) investments in subsidiaries are pledged with Infrastructure Development Finance Company (IDFC) Limited against loans taken by the Company (See note 18)
- Of the above 11,257,500 (31 March, 2016 11,257,500 ; 1 April, 2015 11,257,500) preference shares having carrying and investment value to Rs. 107.05 million ( 31 March, 2016 Rs. 94.54 million ; 1 April, 2015 Rs. 87.96 million ) and Rs. 142.58 million (31 March, 2016 142.58 million ; 1 April, 2015 142.58) of investments in subsidiaries are pledged with Infrastructure Development Finance Company (IDFC) Limited against loans taken by the Company (See note 18)
- Of the above 17,601,020 (31 March ,2016 9,373,622 ; as at 1 April, 2015 29,358,095 ) equity shares amounting to Rs. 277.43 million (31 March, 2016 Rs. 452.40 million ; 1 April, 2015 Rs. 554.73 million ) of investments in subsidiaries are committed to be pledged with Infrastructure Development Finance Company (IDFC) Limited against loans taken by the Company.
- Of the above 10,847,115 (31 March, 2016 13,517,115 ; as at 1 April, 2015 11,475,000) preference shares having carrying and investment value to Rs. 110.57 million (31 March, 2016 Rs. 118.37 million ; 1 April 2015 Rs. 69.30 million ) and Rs. 221.99 million (31 March, 2016 Rs. 221.99 million ; 1 April, 2015 Rs. 114.75 million) of investments in subsidiaries are committed to be pledged with Infrastructure Development Finance Company (IDFC) Limited against loans taken by the Company.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. Investments in associates

#### i. Unquoted investments in equity shares (all fully paid) Instruments at FVTPL

	Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
1	Delhi Sports & Entertainment Private Limited (formerly DEN Sports & Entertainment Private Limited)(face value of Rs 10 per share)	24,842,229	248.42	35,445,019	354.45	-
2	DEN ADN Network Private Limited (face value of Rs 10 per share)	1,938,000	20.91	1,938,000	20.91	1,938,000
3	CCN DEN Network Private Limited (face value of Rs 10 per share)	2,040,000	20.40	2,040,000	20.40	2,040,000
4	Den Satellite Network Private Limited (face value of Rs 10 per share)	50,295	461.58	50,295	461.58	50,295
<b>Total aggregate unquoted investments</b>			<b>751.31</b>		<b>857.34</b>	<b>502.89</b>
<b>Less : Aggregate amount of impairment in the value of investments in associates</b>			248.42		-	-
<b>Total investments carrying value</b>			<b>502.89</b>		<b>857.34</b>	<b>502.89</b>
<b>Aggregate carrying value of unquoted investments</b>			502.89		857.34	502.89
<b>Aggregate amount of impairment in value of investments</b>			248.42		-	-

### 6. Investments in joint ventures

#### i. Unquoted investments in equity shares (all fully paid) Instruments at FVTPL

	Quantity (in number)	As at 31.03.2017 (Rs. in million)	Quantity (in number)	As at 31.03.2016 (Rs. in million)	Quantity (in number)	As at 01.04.2015 (Rs. in million)
1	Macro Commerce Private Limited (face value of Rs 10 per share)	-	-	5,444,444	150.00	5,000,000
2	Star Den Media Services Private Limited (face value of Rs 10 per share)	-	-	-	-	2,500,000
<b>Total aggregate unquoted investments</b>			-		<b>150.00</b>	<b>75.00</b>
<b>Total investments carrying value</b>			-		<b>150.00</b>	<b>75.00</b>
<b>Aggregate carrying value of unquoted investments</b>			-		150.00	75.00
<b>Aggregate amount of impairment in value of investments</b>			-		-	-

### 7. Finance lease receivables [See note 35 and 38]

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
(i) Finance lease receivables	-	22.86	227.78
<b>Current</b>			
(i) Finance lease receivables	155.02	405.79	443.30
Less: Allowance for uncollectible finance lease receivables	-	(12.70)	-
<b>Total</b>	<b>155.02</b>	<b>393.09</b>	<b>443.30</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 8. Other financial assets

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
(i) Security deposits	27.07	29.05	45.28
(ii) Advance for investments	61.19	61.24	61.61
	61.19	61.24	61.61
Less: Impairment allowance for advance for investments	(54.18)	(54.18)	(54.15)
	7.01	7.06	7.46
(iii) Receivable on sale of property, plant and equipment			
- from related parties (See note 38)	-	-	9.34
<b>Total</b>	<b>34.08</b>	<b>36.11</b>	<b>62.08</b>
<b>Current</b>			
(i) Security deposits	36.80	34.01	10.70
(ii) Advances recoverable			
- from related parties (See note 38)	370.51	244.46	183.47
- from others	0.37	0.16	0.16
(iii) Share application money pending allotment (See note 38)	-	-	11.21
(iv) Unbilled revenue			
- from related parties (See note 38)	0.91	1.13	102.71
- from others	-	3.69	190.18
(v) Interest accrued but not due on fixed deposits	83.77	120.69	288.78
(vi) Interest accrued and due			
- from related parties (See note 38)	111.76	104.18	123.24
- from others	-	0.35	0.35
(vii) Receivable on sale of property, plant and equipment			
- from related parties (See note 38)	116.74	196.00	362.48
- from others	-	34.76	0.84
<b>Total</b>	<b>720.86</b>	<b>739.43</b>	<b>1,274.12</b>

### 9. Non current tax assets (net)

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i) Advance tax including TDS recoverable	1,092.15	1,311.03	1,131.66
Less: Provision for income tax	(1.66)	(194.44)	(217.06)
<b>Total</b>	<b>1,090.49</b>	<b>1,116.59</b>	<b>914.60</b>

### 10. Loans

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
(i) Loans to related parties - Unsecured, considered good (See note 38)	337.32	623.20	650.51
(ii) Loans to others - Unsecured			
- considered good	100.00	-	-
- doubtful	10.00	-	-
	110.00	-	-
Less: Impairment allowance for loans	(10.00)	-	-
<b>Total</b>	<b>437.32</b>	<b>623.20</b>	<b>650.51</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 11. Other assets

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
(i) Prepaid expenses	4.04	16.37	11.83
(ii) Deposits against cases with (See note 31)			
- Sales tax authority	95.53	71.18	54.44
- Entertainment tax authorities	114.86	105.52	105.52
- Entry tax authority	14.15	24.85	4.91
- Custom duty authority	89.94	-	-
	314.48	201.55	164.87
Less: Impairment allowance	(10.00)	-	-
	304.48	201.55	164.87
(iii) Capital advances	110.33	116.14	77.57
	110.33	116.14	77.57
Less: Impairment allowance for capital advances	(62.64)	(62.64)	-
	47.69	53.50	77.57
<b>Total</b>	<b>356.21</b>	<b>271.42</b>	<b>254.27</b>
<b>Current</b>			
(i) Prepaid expenses	53.00	76.37	63.65
(ii) Balance with government authorities			
- CENVAT credit receivable	32.04	222.46	84.52
- VAT credit receivable	0.73	0.75	0.19
- Service tax credit receivable	132.64	184.35	30.98
- Custom duty receivable	-	50.08	-
(iii) Others			
- Supplier advances	97.72	83.99	119.75
- Amount recoverable from DNL Employees Welfare Trust	0.36	0.36	0.36
- Other advances	5.39	8.67	5.06
	103.47	93.02	125.17
Less: Impairment allowance for supplier advance	(5.87)	(5.87)	-
	97.60	87.15	125.17
<b>Total</b>	<b>316.01</b>	<b>621.16</b>	<b>304.51</b>

### 12. Other investments

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of Units	(Rs. in million)	No. of Units	(Rs. in million)	No. of Units	(Rs. in million)
Investments in mutual funds - Unquoted						
<b>Carried at FVTPL</b>						
i. Birla Sun Life Cash Plus - Growth	-	-	1,471,676	357.28	-	-
ii. IDFC Cash Fund Growth - (Regular Plan) *	-	-	-	-	221,644	376.57
iii. Birla Sunlife Fixed Term Plan - Series IU (527 days) - Gr. Regular	-	-	-	-	20,000,000	224.79
iv. DWS Fixed maturity plan series 49 - Regular Plan - Growth	-	-	-	-	10,642,488	117.56
v. HDFC FMP 538D November 2013(1) series 28-Regular-Growth	-	-	-	-	5,000,000	56.23
vi. L&T FMP Series 9-Plan E-Growth	-	-	-	-	20,000,000	225.29
vii. ICICI Prudential FMP Series 71- 525 days plan D regular plan cumulative	-	-	-	-	5,000,000	56.16
viii. L&T FMP Series 10 - Plan H - Growth	-	-	-	-	5,000,000	55.33

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of Units	(Rs. in million)	No. of Units	(Rs. in million)	No. of Units	(Rs. in million)
ix. SBI Debt Fund Series - 18 Month 13 - Regular - Growth	-	-	-	-	20,000,000	225.79
x. Reliance Liquid Fund - treasury plan- direct plan growth plan - growth option-LFAG	26,737	106.07	-	-	-	-
xi. DSP Blackrock Liquidity Fund direct plan- Growth	69,096	160.72	-	-	-	-
<b>Total aggregate unquoted investments</b>	<b>95,833</b>	<b>266.79</b>	<b>1,471,676</b>	<b>357.28</b>	<b>85,864,132</b>	<b>1,337.72</b>
<b>Aggregate carrying value of unquoted investments</b>		266.79		357.28		1,337.72
<b>Aggregate amount of impairment in value of investments</b>		-		-		-

\* As at 31 March, 2017 - Nil units with carrying value of Rs. Nil (As at 31 March, 2016 - Nil units with carrying value of Rs. Nil; as at 1 April, 2015- 221,644 units with carrying value of Rs. 376.57 million) were under lien with Infrastructure Development Finance Company Limited (IDFC) against term loans taken by the Company.

### 13. Trade receivables

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
(i) Trade receivables [See notes below]			
- Unsecured, considered good	3,188.78	3,347.50	3,009.51
- Doubtful	1,470.35	1,431.28	656.00
	4,659.13	4,778.78	3,665.51
Less: Allowance for doubtful debts (expected credit loss allowance)	(1,470.35)	(1,431.28)	(656.00)
<b>Total</b>	<b>3,188.78</b>	<b>3,347.50</b>	<b>3,009.51</b>

#### Notes:

- The average credit period on sales of services is 90-180 days. No interest is charged on any overdue trade receivables.
- The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit loss (%)
0 - 90 days	0% - 5%
91 - 180 days	0% - 100%
180 days and above	50% - 100%

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Age of receivables</b>			
0 - 90 days	1,927.98	2,429.79	2,163.59
91 - 180 days	806.66	702.27	424.40
180 days and above	1,924.49	1,646.72	1,077.52
	<b>4,659.13</b>	<b>4,778.78</b>	<b>3,665.51</b>

## NOTES TO THE FINANCIAL STATEMENTS

### c) Movement in the Expected Credit loss Allowance

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016
Balance as the beginning of the year	(1,431.28)	(656.00)
Movement in expected credit loss allowance	(39.07)	(775.28)
<b>Balance at the end of the year</b>	<b>(1,470.35)</b>	<b>(1,431.28)</b>

d) The concentration of credit risk is limited due to the fact that the customer base is large.

## 14. Cash and cash equivalents

### A Cash and cash equivalents

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i) Cash in hand	14.34	3.34	3.86
(ii) Cheques on hand	-	87.37	-
(iii) Balance with scheduled banks			
- in current accounts	288.61	934.07	747.41
- in deposit accounts			
- original maturity of 3 months or less	150.00	278.74	-
<b>Total</b>	<b>452.95</b>	<b>1,303.52</b>	<b>751.27</b>

B The details of Specified Bank Notes (SBNs) or other denomination notes, as defined in the MCA notification G.S.R. 308(E) dated 30 March, 2017, held and transacted during the period from 8 November, 2016 to 30 December, 2016 is provided in the table below:

Particulars	SBNs*	Other denomination notes	Total
	(in Rs.)	(in Rs.)	(in Rs.)
Closing cash in hand as on 8 November, 2016	151,050,500	743,457	151,793,957
Add: Permitted receipts	-	136,477,685	136,477,685
Less: Permitted payments	-	2,979,312	2,979,312
Less: Amount deposited in banks	151,050,500	126,899,093	277,949,593
Closing cash in hand as on 30 December, 2016	-	<b>7,342,737</b>	<b>7,342,737</b>

\* For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November, 2016.

## 15. Bank balances other than cash and cash equivalents

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i) in deposit accounts*			
- original maturity more than 3 months	431.88	659.79	4,353.54
(ii) in earmarked accounts			
- Balances held as margin money or security against borrowings, guarantees and other commitments	1,905.70	2,542.20	2,250.22
<b>Total</b>	<b>2,337.58</b>	<b>3,201.99</b>	<b>6,603.76</b>
* Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date	-	11.95	72.52

## NOTES TO THE FINANCIAL STATEMENTS

### 16. Equity share capital

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Equity share capital	1,935.68	1,777.42	1,777.42
	<b>1,935.68</b>	<b>1,777.42</b>	<b>1,777.42</b>
<b>Authorised share capital:</b>			
200,000,000 (As at 31 March, 2016 200,000,000; As at 1 April, 2015 200,000,000) equity shares of Rs. 10 each with voting rights	2,000.00	2,000.00	2,000.00
<b>Issued and subscribed capital comprises:</b>			
194,025,845 (As at 31 March, 2016 178,199,806; As at 1 April, 2015 178,199,806) equity shares of Rs. 10 each fully paid up with voting rights	1,940.26	1,782.00	1,782.00
Less : Amount recoverable from DNL Employees Welfare Trust [457,931 (As at 31 March, 2016 457,931; As at 1 April, 2015 457,931) number of shares issued to Trust @ Rs. 10 per share]	4.58	4.58	4.58
	<b>1,935.68</b>	<b>1,777.42</b>	<b>1,777.42</b>

#### Fully paid equity shares:

	Number of shares	Share capital (Rs. in million)
<b>Balance as at 1 April, 2015</b>	178,199,806	1,782.00
Add: Issue of shares	-	-
<b>Balance as at 31 March, 2016</b>	<b>178,199,806</b>	<b>1,782.00</b>
Add: Issue of shares [See note 44]	15,826,039	158.26
<b>Balance as at 31 March, 2017</b>	<b>194,025,845</b>	<b>1,940.26</b>

Of the above:

- Fully paid equity shares, which have a par value of Rs. 10, carry one vote per share and carry a right to dividends.
- 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 in 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.
- Share options granted under the Company's employee share option plan (See note 39)**  
As at 31 March, 2017 11,053,394 shares (As at 31 March, 2016 11,053,394 shares) were reserved for issuance as follows:
  - 2,143,404 shares (As at 31 March, 2016 2,143,404 shares; As at 1 April, 2015 2,143,404 shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan 2010 and
  - 8,909,990 shares (As at 31 March, 2015 8,909,990 shares; As at 1 April, 2015 8,909,990 shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan-B 2014. (See Note 39).

## NOTES TO THE FINANCIAL STATEMENTS

### f. Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Fully paid equity shares with voting rights:</b>				
Sameer Manchanda	46,654,550	24.05%	46,654,550	26.18%
The Goldman Sachs, Inc. (through affiliates)	47,535,423	24.49%	31,709,384	17.79%
Lucid Systems Private Limited	16,000,000	8.25%	16,000,000	8.98%
Acacia Banyan Partners (directly/ through affiliates)	12,940,300	6.67%	12,940,300	7.26%
Infrastructure Leasing & Financial Services Limited (directly/ through affiliates)	13,364,861	6.89%	13,364,861	7.50%

Name of Shareholder	As at 01.04.2015	
	No. of Shares	% Holding
<b>Fully paid equity shares with voting rights:</b>		
Sameer Manchanda	46,654,550	26.18%
The Goldman Sachs, Inc. (through affiliates)	28,826,713	16.18%
Lucid Systems Private Limited	16,000,000	8.98%
Acacia Banyan Partners (directly/ through affiliates)	11,000,000	6.17%
Infrastructure Leasing & Financial Services Limited (directly/ through affiliates)	13,364,861	7.50%

- g. 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.

### 17. Other equity

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Securities premium account	16,376.90	15,127.09	15,127.09
Share options outstanding account	168.24	61.22	8.67
General reserve	202.86	202.86	202.86
Surplus / (Deficit) in Statement of Profit and Loss	(9,099.97)	(6,539.03)	(2,971.17)
	<b>7,648.03</b>	<b>8,852.14</b>	<b>12,367.45</b>

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
<b>a. Securities premium account</b>		
i. Opening balance	15,136.25	15,136.25
ii. Add : Premium on shares issued during the year [See note 44]	1,266.08	-
iii. Less : Utilised during the year for writing off share issue expenses	(16.27)	-
iv. Closing balance	<b>16,386.06</b>	<b>15,136.25</b>
v. Less : Amount recoverable from DNL Employees Welfare Trust [457,931 (Previous year 457,931) number of shares issued to trust @ Rs. 20 per share]	(9.16)	(9.16)
	(A) <b>16,376.90</b>	<b>15,127.09</b>
<b>b. Share options outstanding account</b>		
i. Employees stock option outstanding	61.22	8.67
ii. Add : ESOP compensation expense	107.02	52.55
	(B) <b>168.24</b>	<b>61.22</b>

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
<b>c. General reserve</b>		
i. Opening balance	202.86	202.86
ii. Add : Addition/(deletion)	-	-
iii. Closing balance (C)	<b>202.86</b>	<b>202.86</b>
<b>d. Deficit in Statement of Profit and Loss</b>		
i. Opening balance	(6,539.03)	(2,971.17)
ii. Impact of Ind AS transition adjustments	-	-
iii. Add: Profit / (Loss) for the year	(2,567.61)	(3,566.98)
iv. Other comprehensive income arising from remeasurement of defined benefit obligation	6.67	(0.88)
v. Closing balance (D)	<b>(9,099.97)</b>	<b>(6,539.03)</b>
<b>(A+B+C+D)</b>	<b>7,648.03</b>	<b>8,852.14</b>

### 18. Borrowings

#### At amortised cost:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
a. Term loans (Secured)			
i. from banks [See footnote i]	1,097.55	917.81	295.87
ii. from financial institution [See footnote ii]	-	400.00	800.00
iii. from other parties [See footnote iii]	428.16	1,042.69	1,198.79
b. Long-term maturities of finance lease obligations [See note 34]	-	501.51	1,054.35
(Secured by hypothecation of assets purchased under finance lease agreement and payable in equal monthly installments. Applicable rate of interest is 8.55% to 9% per annum)			
c. Other loans			
- Vehicle Loans	0.50	3.68	6.36
(Secured by hypothecation of vehicles and payable in equal monthly installments. The loan is repayable in 1 to 24 installments ending in March, 2018. Applicable rate of interest is 9.71% to 10.96% per annum)			
- Buyers credit on imports [see footnote iv]	346.98	306.99	-
d. Unsecured loan [See footnote v]	-	1.14	2.49
	<b>1,873.19</b>	<b>3,173.82</b>	<b>3,357.86</b>

The terms of repayment and security of term loans and other loans are stated below:

#### As at 31 March, 2017

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
<b>Footnotes i.</b>					
Term loan from bank	-	76.69	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 1 quarterly installment in April, 2017	11.75%
Term loan from bank	66.59	133.18	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018.	12.30%

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount outstanding*		Security	Terms of repayment/ redemption	Rate of interest/ effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
Term loan from bank	66.02	132.04	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018.	12.30%
Term loan from bank	-	17.37	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company.	Repayable in 2 quarterly installments from June, 2017 to September, 2017	12.30%
Term loan from bank	482.97	53.66	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan is further secured by pledged of 5.50 million equity shares of the Company held by the promoter.	Repayable in 20 quarterly installments commencing from December, 2017 and ending in September, 2022.	11.00%
Term loan from bank	45.55	165.98	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 5 quarterly installments from June, 2017 and ending in June, 2018.	12.30%
Term loan from bank	436.42	229.68	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and first pari passu charge on all current assets of the Company. The loan is further secured by pledge of shares held by the Company in its subsidiaries (upto 30% of share capital of subsidiaries) and pledge of 2.70 million equity shares of the Company held by promoter.	Repayable in 11 quarterly installments from April, 2017 and ending in October, 2019.	11.50%
<b>Sub-total (A)</b>	<b>1,097.55</b>	<b>808.60</b>			
<b>Footnotes ii.</b>					
Term loan from financial institution	-	-			
<b>Sub-total (B)</b>	<b>-</b>	<b>-</b>			



## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
<b>Footnotes iii.</b>					
Term loan from others	428.16	614.52	This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement.	Repayable in 34 monthly installments from April, 2017 and ending in January, 2020.	8.55%
<b>Sub-total (C)</b>	<b>428.16</b>	<b>614.52</b>			
<b>Footnotes iv.</b>					
Buyers credit on imports	346.98	-	Secured by first pari passu charge on property, plant and equipment of the Company existing and proposed and second pari passu charge on all current assets of the Company.	Repayable in January, 2019.	1.21% to 1.94%
<b>Sub-total (D)</b>	<b>346.98</b>	<b>-</b>			
<b>Total (A+B+C+D)</b>	<b>1,872.69</b>	<b>1,423.12</b>			

### As at 31 March, 2016

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
<b>Footnotes i.</b>					
Term loan from bank	73.21	305.58	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 5 quarterly installments commencing from April, 2016 and ending in April, 2017.	11.95%
Term loan from bank	397.83	257.24	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 10 quarterly installments commencing from June, 2016 and ending in September, 2018.	12.50%
Term loan from bank	28.95	23.16	Secured by first pari passu charge on entire property, plant and equipment of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company.	Repayable in 9 quarterly installments commencing from April, 2016 and ending in April, 2018.	11.80%

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
Term loan from bank	355.59	-	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan is further secured by pledged of 5.50 million shares of the Company held by the promoter.	Repayable in 20 quarterly installments commencing from March, 2018 and ending in December, 2022.	11.20%
Term loan from bank	62.23	49.60	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 8 quarterly installments commencing from June, 2016 and ending in September, 2018.	12.50%
<b>Sub-total (A)</b>	<b>917.81</b>	<b>635.58</b>			
<b>Footnotes ii.</b>					
Term loan from financial institution	400.00	400.00	Secured by first pari passu charge on property, plant and equipment (existing and proposed) and on all current assets of the Company. Further, the loan is secured by pledged of shares held by the Company in its subsidiaries (existing and proposed).	Repayable in 8 quarterly installments commencing from May, 2016 and ending in February, 2018.	11.15%
<b>Sub-total (B)</b>	<b>400.00</b>	<b>400.00</b>			
<b>Footnotes iii.</b>					
Term loan from others	1,042.69	785.22	This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement.	Repayable in 35 equal monthly installments commencing from April, 2016 and ending in February, 2019.	8.55%
<b>Sub-total (C)</b>	<b>1,042.69</b>	<b>785.22</b>			
<b>Footnotes iv.</b>					
Buyers credit on imports	306.99	-	Secured by first pari passu charge on property, plant and equipment of the Company existing and proposed and second pari passu charge on all current assets of the Company.	Repayable in January, 2019.	1.21%
<b>Sub-total (D)</b>	<b>306.99</b>	<b>-</b>			
<b>Total (A+B+C+D)</b>	<b>2,667.49</b>	<b>1,820.80</b>			

## NOTES TO THE FINANCIAL STATEMENTS

As at 1 April, 2015

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
<b>Footnotes i.</b>					
Term loan from bank	-	54.81	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company	Repayable in 2 quarterly installments commencing from June, 2015 and ending in September, 2015	14.50%
Term loan from bank	-	184.88	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. This loan is further guaranteed by Mr. Sameer Manchanda (Chairman and Managing Director of the Company).	Repayable in 4 quarterly installments commencing from April, 2015 and ending in January, 2016	13.00%
Term loan from bank	78.18	65.00	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 9 quarterly installments commencing from April, 2015 and ending in April, 2017.	13.00%
Term loan from bank	133.30	48.61	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 10 quarterly installments commencing from June, 2015 and ending in September, 2018.	13.00%
Term loan from bank	84.39	-	Secured by first pari passu charge on entire property, plant and equipment of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company.	Repayable in 8 quarterly installments commencing from April, 2016 and ending in January, 2018.	12.30%
<b>Sub-total (A)</b>	<b>295.87</b>	<b>353.30</b>			
<b>Footnotes ii.</b>					
Term loan from financial institution	800.00	400.00	Secured by first pari passu charge on property, plant and equipment (existing and proposed) and on all current assets of the Company. Further, the loan is secured by pledged of shares held by the Company in its subsidiaries (existing and proposed).	Repayable in 12 quarterly installments commencing from May, 2015 and ending in March, 2018.	11.50%
<b>Sub-total (B)</b>	<b>800.00</b>	<b>400.00</b>			

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
<b>Footnotes iii.</b>					
Term loan from others	1,198.79	905.43	This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement.	Repayable in 47 equal monthly installments commencing from April, 2015 and ending in February, 2019.	8.55%
<b>Sub-total (C)</b>	<b>1,198.79</b>	<b>905.43</b>			
<b>Footnotes iv.</b>					
Buyers credit on imports	-	-			
<b>Sub-total (D)</b>	<b>-</b>	<b>-</b>			
<b>Total (A+B+C+D)</b>	<b>2,294.66</b>	<b>1,658.73</b>			

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016	
	Long-term debts	Current maturities of long-term debts	Long-term debts	Current maturities of long-term debts
<b>Footnote v</b>				
<b>Unsecured</b>				
<b>Long-term maturities of other loans</b>				
This unsecured loan outstanding as at the balance sheet date from Cisco Systems Capital India Private Limited is payable in 8 monthly installments from April, 2017 and ending in November, 2017. Applicable rate of interest is 8.55% per annum.	-	1.14	1.14	1.71
	-	<b>1.14</b>	<b>1.14</b>	<b>1.71</b>

(Rs. in million)

Particulars	As at 01.04.2015	
	Long-term debts	Current maturities of long-term debts
<b>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% per annum.	2.49	2.59
	<b>2.49</b>	<b>2.59</b>

\*The above amounts include adjustment of loan processing fees to determine the amounts under the effective interest rate method.

## NOTES TO THE FINANCIAL STATEMENTS

### 19. Provisions

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>			
a. Employee benefits (See note 36)			
- Gratuity	55.92	52.96	41.89
	<b>55.92</b>	<b>52.96</b>	<b>41.89</b>
<b>Current</b>			
a. Employee benefits (See note 36)			
- Compensated absences	46.17	43.85	31.19
- Gratuity	0.83	1.15	0.77
b. Other provisions			
- Wealth tax [net of advance tax]	-	0.10	0.10
	<b>47.00</b>	<b>45.10</b>	<b>32.06</b>

### 20. Borrowings

#### Secured at amortised cost

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
a. Loans repayable on demand			
-from banks [See footnote (i) below]	520.18	245.13	492.86
b. Buyers credit on imports [See footnote (ii) below]	626.14	2,519.09	3,222.44
	<b>1,146.32</b>	<b>2,764.22</b>	<b>3,715.30</b>

The terms of repayment and security of loans repayable on demand and buyers credits on imports are stated below:

#### As at 31 March, 2017

Particulars	Borrowings-current (Rs. in million)	Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
<b>Footnotes i.</b>				
Loans repayable on demand-from bank	520.18	Secured by first pari passu charge on current assets of the Company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Company (existing and proposed).	Repayable on demand.	10.70% to 11.00%
<b>Footnotes ii.</b>				
Buyers credit on imports	626.14	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed).	Repayable from April, 2017 to November, 2017	1.53% to 2.19%

#### As at 31 March, 2016

Particulars	Borrowings-current (Rs. in million)	Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
<b>Footnotes i.</b>				
Loans repayable on demand-from bank	245.13	Secured by first pari passu charge on current assets of the Company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Company (existing and proposed).	Repayable on demand.	10.70% to 11.00%

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Borrowings-current (Rs. in million)	Security	Terms of repayment/ redemption	Rate of interest/ effective interest rate (per annum)
<b>Footnotes ii.</b>				
Buyers credit on imports	2,519.09	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed).	Repayable from April, 2016 to February, 2017	1.02% to 1.64%

### As at 1 April, 2015

Particulars	Borrowings-current (Rs. in million)	Security	Terms of repayment/ redemption	Rate of interest/ effective interest rate (per annum)
<b>Footnotes i.</b>				
Loans repayable on demand-from bank	492.86	Secured by first pari passu charge on current assets of the Company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Company (existing and proposed).	Repayable on demand.	10.70% to 11.00%
<b>Footnotes ii.</b>				
Buyers credit on imports	3,222.44	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company (existing and proposed).	Repayable from April, 2015 to January, 2016	0.72% to 1.08%

### 21. Trade payables

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Trade payables - Other than acceptances			
- total outstanding dues of micro enterprises and small enterprises [See note 51]	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	3,922.19	3,334.84	2,388.02
	<b>3,922.19</b>	<b>3,334.84</b>	<b>2,388.02</b>

### 22. Other financial liabilities

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>			
Security deposits received	<b>4.99</b>	<b>2.69</b>	<b>3.09</b>
<b>Current</b>			
a. Current maturities of long term debt [See footnote (i) below]	1,423.12	1,820.80	1,658.73
b. Current maturities of finance lease obligations [See footnote (i) below and note 34]	501.51	581.84	529.54
c. Current maturities of other secured loans [See footnote (i) below]	2.97	3.57	4.36
d. Current maturities of other unsecured loans [see footnote v of note 18]	1.14	1.71	2.59
e. Interest accrued	24.19	49.53	55.01
f. Others			
i. Balance consideration payable on investments	6.70	7.30	7.25
ii. Payables on purchase of property, plant and equipment	578.21	1,122.97	367.83

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
iii. Book overdraft	171.59	364.33	413.42
iv. Security deposits received	1.98	3.87	5.34
	<b>2,711.41</b>	<b>3,955.92</b>	<b>3,044.07</b>

### Footnotes

i. See note 18 (Non-current borrowings) for details of security and guarantees

### 23. Other liabilities

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>			
a. Deferred revenue	3,162.21	2,868.00	1,802.47
	<b>3,162.21</b>	<b>2,868.00</b>	<b>1,802.47</b>
<b>Current</b>			
a. Deferred revenue	1,017.77	903.93	557.94
b. Statutory remittances	149.23	353.51	351.29
c. Other payables			
i. Advances from customers	79.01	48.39	34.50
ii. Others	34.85	-	-
	<b>1,280.86</b>	<b>1,305.83</b>	<b>943.73</b>

### 24. Revenue from operations

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
a. Sale of services (see note below)	9,689.11	7,848.20
b. Sale of equipment	18.00	853.95
c. Other operating revenue		
i. Liabilities/ excess provisions written back (net)	95.23	32.86
ii. Profit on sale of property, plant and equipment	-	-
ii. Miscellaneous income	5.53	1.42
	<b>9,807.87</b>	<b>8,736.43</b>

#### Note:

Sale of services comprises:

a. Placement income	3,085.70	3,379.67
b. Subscription income	3,367.20	1,748.44
c. Activation income	657.21	434.00
d. Feeder charges income	1,419.66	1,210.96
e. Internet revenue	810.22	405.96
f. Other revenue	349.12	669.17
	<b>9,689.11</b>	<b>7,848.20</b>

### 25. Other income

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
a. Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
i. on bank deposits (amortised cost)	238.89	434.62
ii. on financial assets carried at amorised cost	81.32	128.05
iii. on sale under finance lease of assets	10.52	38.77
b. Interest on income tax refund	75.88	30.11

## NOTES TO THE FINANCIAL STATEMENTS

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
c.	Dividend income		
i.	from current investments in mutual funds	0.05	-
ii.	from non-current investments in subsidiaries	1.77	67.57
d.	Other gains and losses		
i.	Net gain on foreign currency transactions and translation	43.39	-
ii.	Net gain on sale of current investments (other than non trade and unquoted)	32.38	65.52
		<b>484.20</b>	<b>764.64</b>

### 26. Employee benefits expense

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Salaries and allowances	717.10	752.85
b.	Contribution to provident and other funds [See note 36]	37.92	42.34
c.	Gratuity expense [See note 36]	15.01	15.76
d.	Share-based payments to employees [See note 39]	107.02	52.55
e.	Staff welfare expenses	36.47	46.90
		<b>913.52</b>	<b>910.40</b>

### 27. Finance costs

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Interest costs		
i.	Interest on bank overdraft and loans	577.31	697.63
b.	Other borrowing costs	56.62	65.37
		<b>633.93</b>	<b>763.00</b>

### 28. Other expenses

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Cost of traded items	17.39	834.48
b.	Distributor commission/ incentive	363.52	250.93
c.	Rent and hire charges [See note 33]	191.43	182.08
d.	Repairs and maintenance		
i.	Plant and equipment	116.84	330.65
ii.	Others	62.06	86.45
e.	Power and fuel	107.18	95.33
f.	Director's sitting fees	1.15	1.03
g.	Legal and professional charges*	117.18	203.19
h.	Expenditure on corporate social responsibility [See note 47]	0.15	0.50
i.	Contract service charges	479.54	252.85
j.	Printing and stationery	5.80	9.50
k.	Travelling and conveyance	78.14	124.24
l.	Advertisement, publicity and business promotion	16.12	132.68
m.	Communication expenses	30.46	31.48
n.	Leaseline expenses	480.34	357.82
o.	Security charges	17.42	23.96
p.	Freight and labour charges	9.32	17.03
q.	Insurance	3.26	4.74



## NOTES TO THE FINANCIAL STATEMENTS

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
r.	Rates and taxes	86.59	72.47
s.	Allowance on trade receivables and advances**	194.73	382.53
t.	Provision for capital-work-in-progress	19.53	-
u.	Property, plant and equipment/ capital work in progress written off	1.07	30.54
v.	Loss on sale of investment	-	5.00
w.	Loss on disposal of property, plant and equipment	1.58	1.47
x.	Miscellaneous expenses	45.75	57.54
		<b>2,446.55</b>	<b>3,488.49</b>

\* Legal and professional charges includes payment to auditor's (net of service tax input credit):

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	To statutory auditors		
	For audit	6.95	6.95
	For other services	3.94	4.36
	For reimbursement of expenses	0.31	0.13
		11.20	11.44
b.	To cost auditors for cost audit	0.05	0.05
		<b>11.25</b>	<b>11.49</b>

\*\* Allowance on trade receivables and advances includes:

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Doubtful trade receivables and advances written off	288.58	166.36
b.	Allowances for trade receivables and advances written back	(288.58)	-
		-	166.36
c.	Allowance on trade receivables and advances	194.73	216.17
		<b>194.73</b>	<b>382.53</b>

### 29. Exceptional items [See note 45]

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Allowance on trade receivables and advances	-	637.43
b.	Provision for impairment in value of investments in subsidiary companies	210.00	234.37
c.	Provision for impairment in value of investments in associate	248.42	-
d.	Loss on sale of non-current investments	130.53	-
e.	Restructuring expenses	56.63	-
		645.58	871.80
f.	Less : Profit on disposal of non-current investments in joint venture	-	378.50
		<b>645.58</b>	<b>493.30</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 30. Income tax recognised in Statement of Profit and Loss

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
<b>(a)</b>	<b>Current tax</b>		
	In respect of current year	-	-
	In respect of prior years	-	(4.09)
		-	(4.09)
<b>(b)</b>	<b>Deferred tax [See note 30(d)]</b>		
	In respect of current year	-	-
	Write-downs (reversals of previous write-downs) of deferred tax assets	-	12.01
		-	12.01
	Total tax expense/(Income) recognised in Statements of Profit and Loss	-	7.92
<b>(c)</b>	<b>The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
	Profit/(Loss) before tax	(2,567.61)	(3,559.06)
	Income tax expense calculated at 34.608%	(888.60)	(1,231.72)
	Effect of income that is exempt from taxation	(0.63)	(23.38)
	Effect of expenses that are not deductible in determining taxable profit	212.27	169.28
	Effect of unused tax losses, timing difference and tax offsets not recognised as deferred tax asset	676.96	1,081.80
	Effect on deferred tax balances due to the change in income tax rates	-	4.02
	Adjustments recognised in the current year in relation to the current tax of prior years	-	(4.09)
	Income tax expense recognised in profit or loss	-	(4.09)

The tax rate used for the 2016-2017 and 2015-2016 reconciliations above is the corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax law.

### 30. Current Tax & Deferred Tax

#### (d) Movement in deferred tax

##### (i) For the year ended 31st March, 2017

(Rs. in million)

Particulars	Year ended 31.03.2017		
	Opening Balance	Recognised in profit and Loss	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>			
Property, plant and equipment and other intangible assets	(77.33)	-	(77.33)
	<b>(77.33)</b>	-	<b>(77.33)</b>
<u>Tax effect of items constituting deferred tax assets</u>			
MAT credit entitlement	-	-	-
Provision for employee benefits	28.36	-	28.36
Share issue expenses	52.24	-	52.24
Provision for doubtful debts/advances/impairment	168.22	-	168.22
Other items	37.73	-	37.73
	<b>286.55</b>	-	<b>286.55</b>
<b>Deferred tax assets (net)</b>	<b>209.22</b>	-	<b>209.22</b>

## NOTES TO THE FINANCIAL STATEMENTS

### (ii) For the year ended 31st March, 2016

(Rs. in million)

Particulars	Year ended 31.03.2016		
	Opening Balance	Recognised in profit and Loss	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>			
Property, plant and equipment and other intangible assets	(88.47)	11.14	(77.33)
	<b>(88.47)</b>	<b>11.14</b>	<b>(77.33)</b>
<u>Tax effect of items constituting deferred tax assets</u>			
MAT credit entitlement	4.09	(4.09)	-
Provision for employee benefits	25.10	3.26	28.36
Share issue expenses	56.99	(4.75)	52.24
Allowance on trade receivables, advances and impairment	164.82	3.40	168.22
Other items	58.70	(20.97)	37.73
	<b>309.70</b>	<b>(23.15)</b>	<b>286.55</b>
<b>Deferred tax assets (net)</b>	<b>221.23</b>	<b>(12.01)</b>	<b>209.22</b>

### 30. Current tax and deferred tax

#### (e) Unrecognised deductible temporary differences, unused tax losses and unused tax credits

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following (refer note below):			
- tax losses (revenue in nature)	1,488.78	616.05	325.59
- deductible temporary differences			
i. Property, plant and equipment and other intangible assets	147.44	-	-
ii. Provision for employee benefits	7.26	5.54	-
iii. Allowance on trade receivables, advances and impairment	367.13	351.09	32.70
iv. Deferred revenue	1,446.61	1,035.39	802.30
v. Share issue expenses	4.50	-	-
vi. Other items	154.05	81.37	-
	<b>3,615.77</b>	<b>2,089.44</b>	<b>1,160.59</b>

#### Note:

Detail of temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the balance sheet:

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deferred tax assets with no expiry date	2,126.99	1,473.39	835.00
Deferred tax assets with expiry date*	1,488.78	616.05	325.59
	<b>3,615.77</b>	<b>2,089.44</b>	<b>1,160.59</b>

\* These would expire between financial year ended 31 March, 2023 and 31 March, 2025.

## NOTES TO THE FINANCIAL STATEMENTS

### 31. Commitments and contingent liabilities

(Rs. in million)

Particulars		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>a. Commitments</b>				
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	518.91	701.12	459.00
<b>b. Contingent liabilities</b>				
<b>i) Claims against the Company not acknowledged as debts*</b>				
	Demand raised by UP Commercial Tax authorities for payment of VAT on transfer of STB's	507.39	221.44	160.27
	Demand raised by Delhi Entertainment Tax authorities for payment of Entertainment Tax	-	1,160.94	890.08
	Demand raised by UP Entertainment Tax authorities for payment of Entertainment Tax	65.96	58.35	43.11
	Demand raised by Madhya Pradesh Entertainment Tax authorities for payment of Entertainment Tax	3.65	3.65	3.65
	Demand raised by Rajasthan Entry Tax authorities for payment of Entry Tax	80.23	25.30	25.30
	Demand raised by Bihar Commercial Tax authorities for payment of VAT on transfer of STB's	129.08	112.61	24.95
	Demand raised by Bihar Commercial Tax authorities for payment of Entertainment tax	4.64	-	-
	Demand raised by Karnataka Commercial Tax authorities for payment of VAT on transfer of STB's	196.57	77.99	21.51
	Demand raised by Kerala Commercial Tax authorities for payment of VAT on transfer of STB's	227.11	56.84	22.88
	Demand raised by Delhi Commercial Tax authorities for payment of VAT on Activation Charge	1.60	1.54	-
	Demand raised by Haryana Commercial Tax authorities for payment of VAT on Activation Charge	1.08	-	-
	Demand raised by Custom Directorate of Revenue Intelligence	220.08	-	-
<b>ii) Guarantees</b>				
	Bank guarantees	50.00	40.00	34.56
	Corporate guarantee issued by the Company**	250.00	250.00	250.00
<b>iii) Other money for which the Company is contingently liable</b>				
	Outstanding letter of credits	-	-	216.72
	Letter of comforts issued to subsidiaries***	-	-	-

\* The Company has paid advance towards the above claims aggregating to Rs. 314.48 million (31 March, 2016: Rs. 201.55 million; 1 April, 2015: Rs. 164.87 million).

\*\* Against this corporate guarantee, the obligation outstanding as on 31 March, 2017 is Rs. 74.75 million (As at 31 March, 2016 - Rs. 121.33 million, As at 1 April, 2015 - Rs. 250 million).

\*\*\* The Company has undertaken to arrange for the necessary financial support to certain of its subsidiaries (held directly or indirectly) in the form of capital funding and/or short term funding for meeting their business requirements. [See note 38A(xvi)]

### 32. Segment information

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided. The CODM has identified Cable and Broadband as its reportable segments.

- 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 allocable to segments have been disclosed as unallocable expenses. Assets and liabilities



## NOTES TO THE FINANCIAL STATEMENTS

that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that is used interchangeably amongst segments is not allocated to segments.

(Rs. in million)

Particulars	Year ended 31 March, 2017			Year ended 31 March, 2016		
	Cable	Broadband	Total	Cable	Broadband	Total
<b>I. Segment revenue and results</b>						
<b>A. Segment revenue</b>						
Revenue from operations (External customers)	8,989.87	818.00	9,807.87	8,337.93	398.50	8,736.43
<b>Total</b>	<b>8,989.87</b>	<b>818.00</b>	<b>9,807.87</b>	<b>8,337.93</b>	<b>398.50</b>	<b>8,736.43</b>
<b>B. Segment result</b>	(1,409.20)	(363.10)	(1,772.30)	(2,278.50)	(788.90)	(3,067.40)
Other income			484.20			764.64
Finance costs			(633.93)			(763.00)
<b>Profit/(Loss) before exceptional item and tax expense</b>			<b>(1,922.03)</b>			<b>(3,065.76)</b>
<b>Exceptional items</b>			(645.58)			(493.30)
<b>Profit / (Loss) before tax</b>			<b>(2,567.61)</b>			<b>(3,559.06)</b>
Tax expense			-			7.92
<b>Profit / (Loss) after tax</b>			<b>(2,567.61)</b>			<b>(3,566.98)</b>

(Rs. in million)

Particulars	As at 31 March, 2017			As at 31 March, 2016		
	Cable	Broadband	Total	Cable	Broadband	Total
<b>II. Segment assets and liabilities</b>						
<b>C. Segment assets</b>	13,916.60	1,215.90	15,132.50	15,009.20	1,289.90	16,299.10
Unallocable assets			11,225.90			13,815.30
	13,916.60	1,215.90	26,358.40	15,009.20	1,289.90	30,114.40
Less: Inter-segment elimination			2,570.60			1,981.46
<b>Total assets</b>	<b>13,916.60</b>	<b>1,215.90</b>	<b>23,787.80</b>	<b>15,009.20</b>	<b>1,289.90</b>	<b>28,132.94</b>
<b>D. Segment liabilities</b>	8,597.03	2,877.70	11,474.73	7,984.96	2,379.15	10,364.11
Unallocable liabilities			5,299.96			9,120.73
	8,597.03	2,877.70	16,774.69	7,984.96	2,379.15	19,484.84
Less: Inter-segment elimination			2,570.60			1,981.46
<b>Total liabilities</b>	<b>8,597.03</b>	<b>2,877.70</b>	<b>14,204.09</b>	<b>7,984.96</b>	<b>2,379.15</b>	<b>17,503.38</b>

(Rs. in million)

Particulars	As at 1 April, 2015		
	Cable	Broadband	Total
<b>C. Segment assets</b>	12,358.05	902.92	13,260.97
Unallocable assets			17,114.51
	12,358.05	902.92	30,375.48
Less: Inter-segment elimination			902.12
<b>Total assets</b>	<b>12,358.05</b>	<b>902.92</b>	<b>29,473.36</b>
<b>D. Segment liabilities</b>	4,890.08	1,245.08	6,135.16
Unallocable liabilities			10,095.45
<b>Less: Inter-segment elimination</b>			902.12
<b>Total liabilities</b>	<b>4,890.08</b>	<b>1,245.08</b>	<b>15,328.49</b>

## NOTES TO THE FINANCIAL STATEMENTS

(Rs. in million)

Particulars	Year ended 31 March, 2017			Year ended 31 March, 2016		
	Cable	Broadband	Total	Cable	Broadband	Total
<b>III. Other segment information</b>						
Depreciation and amortisation (allocable)	1,848.18	280.01	<b>2,128.19</b>	1,352.72	126.77	<b>1,479.49</b>
Addition to non - current assets (allocable) i.e capital expenditure	1,246.39	260.34	<b>1,506.73</b>	2,391.23	682.35	<b>3,073.58</b>
Impairment losses recognised in respect of:						
a) Property, plant and equipment / Capital work-in-progress	19.53	-	19.53	-	-	-
b) financial assets						
- Allowance on trade receivables and advances	189.74	4.99	194.73	1,019.96	-	1,019.96
- Provision for impairment in value of investments in subsidiaries and associates (Unallocable)	-	-	458.42	-	-	234.37

### IV. Geographical information

- a. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers in stated below:

(Rs. in million)

Geography	Year ended 31.03.2017	Year ended 31.03.2016
India	9,807.87	8,736.43
Outside India	-	-
	<b>9,807.87</b>	<b>8,736.43</b>

- b. Information regarding geographical non-current assets is as follows:

(Rs. in million)

Geography	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
India	10,524.61	11,678.72	9,358.83
Outside India	-	-	-
	<b>10,524.61</b>	<b>11,678.72</b>	<b>9,358.83</b>

- c. Information about major customers:

No single customer contributed 10% or more to the Company's revenue during the years ended 31 March, 2017 and 31 March, 2016.

### 33. Operating Lease

The Company has taken office premises and accommodation for its employee under cancellable operating lease agreements. The lease rental expenses recognised in the Statement of Profit and Loss:

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Payments recognised as an expense	191.43	182.08
Contingent rentals	-	-
<b>Total</b>	<b>191.43</b>	<b>182.08</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 34. Finance lease as lessee

The Company has entered into finance lease arrangements for certain equipment which provide the Company an option to purchase the assets at the end of the lease period. The average lease term is 3 years.

(Rs. in million)

Particulars		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Future minimum lease payments:</b>				
(i)	Not later than one year	501.51	649.98	630.66
(ii)	Later than one year and not later than five years	-	521.06	1,135.69
(iii)	Later than five years	-	-	-
		<b>501.51</b>	<b>1,171.04</b>	<b>1,766.35</b>
	Less : Future finance charges	-	87.69	182.46
		<b>501.51</b>	<b>1,083.35</b>	<b>1,583.89</b>
<b>Present value of minimum lease payments payable:</b>				
(i)	Not later than one year	501.51	581.84	529.54
(ii)	Later than one year and not later than five years	-	501.51	1,054.35
(iii)	Later than five years	-	-	-
		<b>501.51</b>	<b>1,083.35</b>	<b>1,583.89</b>
<b>Included in the financial statements as:</b>				
(i)	Current maturities of finance lease obligations [See note 22]	501.51	581.84	529.54
(ii)	Non-current borrowings [See note 18]	-	501.51	1,054.35

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 8.55% to 9% per annum (at 31 March, 2016 - 8.55% to 9% per annum, at 1 April, 2015 - 8.55% to 9% per annum).

### 35. Finance lease as lessor

The Company has entered into finance lease arrangements for certain of its equipment which provide the Company an option to sell the assets at the end of the lease period. Future minimum lease payment and reconciliation of gross investment in the lease and present value of minimum lease payments.

(Rs. in million)

Particulars		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Future minimum lease payments:</b>				
(i)	Not later than one year	155.02	404.97	474.22
(ii)	Later than one year and not later than five years	-	23.68	241.61
(iii)	Later than five years	-	-	-
		<b>155.02</b>	<b>428.65</b>	<b>715.83</b>
	Less : Unearned finance income	-	12.70	44.75
		<b>155.02</b>	<b>415.95</b>	<b>671.08</b>
<b>Present value of minimum lease payments receivable:</b>				
(i)	Not later than one year	155.02	393.09	443.30
(ii)	Later than one year and not later than five years	-	22.86	227.78
(iii)	Later than five years	-	-	-
		<b>155.02</b>	<b>415.95</b>	<b>671.08</b>
<b>Included in the financial statements as:</b>				
(i)	Current [See note 7]	155.02	393.09	443.30
(ii)	Non Current [See note 7]	-	22.86	227.78

Unguaranteed residual values of assets leased under finance leases at the end of the reporting period are estimated at Rs. Nil (at 31 March, 2016 - Rs. Nil at 1 April, 2015 - Rs. Nil).

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average effective interest rate contracted is approximately 9% per annum (at 31 March, 2016 - 9% to 13% per annum, at 1 April, 2015 - 13% to 10% per annum)

## NOTES TO THE FINANCIAL STATEMENTS

### 36. Employee benefit plans

#### (i) Defined contribution plans

The Company operates defined contribution retirement benefit plans for all its qualifying employees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

The total expense recognised in profit or loss of Rs. 37.43 million (for the year ended 31 March, 2016: Rs. 41.75 million) for provident fund contributions and Rs. 0.49 million (for the year ended 31 March, 2016: Rs. 0.59 million) for Employee State Insurance Scheme contributions represents contributions payable to these plans by the Company at rates specified in the rules of the plans. As at 31 March, 2017, contributions of Rs. 5.45 million (as at 31 March, 2016: Rs. 6.52 million) due in respect of 2016-2017 (2015-2016) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

#### (ii) Defined benefit plans

##### Gratuity plan

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 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 gratuity plan typically exposes the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

##### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

##### Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability

##### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as at 31 March, 2017 by Charan Gupta Consultants Private Limited, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

a) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuations as at		
	31.03.2017	31.03.2016	01.04.2015
Discount rate(s)	7.54%	8.00%	8.00%
Expected rate(s) of salary increase	8.00%	8.00%	8.00%
Average longevity at retirement age for current beneficiaries of the plan (years)	16.90	17.34	17.66
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)	20.98	21.96	22.30
Retirement age (years)	58	58	58
Mortality Table	IALM (2006 08)	IALM (2006 08)	IALM (2006 08)
Withdrawal Rates	In %	In %	In %
Upto 30 years	3.00	3.00	3.00
From 31 years to 44 years	2.00	2.00	2.00
Above 44 years	1.00	1.00	1.00



## NOTES TO THE FINANCIAL STATEMENTS

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Company financial statements as at 31 March, 2017:

- b) Amounts recognised in Statement of Profit and Loss in respect of these defined benefit plans are as follows:

(Rs. in million)

Particulars	Year ended	
	31.03.2017	31.03.2016
Service cost		
- Current service cost	10.68	12.36
- Past service cost and (gain)/loss from settlements	-	-
Net interest expense	4.33	3.40
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>15.01</b>	<b>15.76</b>
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amounts included in net interest expense)	-	-
- Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
- Actuarial (gains) / losses arising from changes in financial assumptions	2.95	-
- Actuarial (gains) / losses arising from experience adjustments	(9.62)	0.88
- Adjustments for restrictions on the defined benefit asset	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(6.67)</b>	<b>0.88</b>
<b>Total</b>	<b>8.34</b>	<b>16.64</b>

The current service cost and the net interest expense for the year are included in the employee benefits expense line item in the Statement of Profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

- c) The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

(Rs. in million)

Particulars	As at		
	31.03.2017	31.03.2016	01.04.2015
Present value of funded defined benefit obligation	56.75	54.11	42.66
Fair value of plan assets	-	-	-
Net liability arising from defined benefit obligation	56.75	54.11	42.66

- d) Movements in the present value of the defined benefit obligation are as follows:

(Rs. in million)

Particulars	Year ended	
	31.03.2017	31.03.2016
Opening defined benefit obligation	54.11	42.66
Current service cost	10.68	12.36
Interest cost	4.33	3.40
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	-	-
- Actuarial gains and losses arising from changes in financial assumptions	-	-
- Actuarial gains and losses arising from experience adjustments	2.95	-
- Actuarial (gains) / losses arising from experience adjustments	(9.62)	0.88
- Adjustments for restrictions on the defined benefit asset	-	-
Past service cost, including losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Benefits paid	(5.70)	(5.19)
Closing defined benefit obligation	<b>56.75</b>	<b>54.11</b>
- Current portion of the above	0.83	1.15
- Non current portion of the above	55.92	52.96

- e) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- i) If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by Rs. 3.26 million (increase by Rs. 3.50 million) [as at 31 March, 2016: decrease by Rs. 3.41 million (increase by Rs. 3.43 million)] [as at 1 April, 2015: decrease by Rs. 2.76 million (increase by Rs. 2.70 million)].

## NOTES TO THE FINANCIAL STATEMENTS

- ii) If the expected salary growth increases (decreases) by 0.50%, the defined benefit obligation would increase by Rs. 3.48 million (decrease by Rs. 3.26 million) [as at 31 March, 2016: increase by Rs. 3.41 million (decrease by Rs. 3.47 million)] [as at 1 April, 2015: increase by Rs. 2.67 million (decrease by Rs. 2.78 million)].

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

- f) The average duration of the benefit obligation represents average duration for active members at 31 March, 2017: 17.66 years (as at 31 March, 2016: 17.34 years; as at 1 April, 2015: 16.90 years).
- g) The Company expects to make a contribution of Rs. 16.14 million (as at 31 March, 2016: Rs. 19.28 million; as at 1 April, 2015: Rs. 15.44 million) to the defined benefit plans during the next financial year.
- h) The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- i) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- j) The gratuity plan is unfunded.
- k) Experience on actuarial gain/(loss) for benefit obligations and plan assets:

(Rs. in million)

Particulars	Gratuity				
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013
Present value of DBO	56.75	54.11	42.66	35.50	27.39
Fair value of plan assets	-	-	-	-	-
Funded status [Surplus / (Deficit)]	(56.75)	(54.11)	(42.66)	(35.50)	(27.39)
Experience gain / (loss) adjustments on plan liabilities	6.67	(0.88)	0.91	(0.28)	0.74
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

### 37. Earnings per equity share (EPS)\*

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
(i) Basic	(13.86)	(20.02)
(ii) Diluted*	(13.86)	(20.02)

#### (i) Basic earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

(Rs. in million)

	Year ended 31.03.2017	Year ended 31.03.2016
(i) Profit/(loss) for the year attributable to shareholders of the Company (in million)	(2,567.61)	(3,566.98)
(ii) Earnings used in the calculation of basic earnings per share (in million)	(2,567.61)	(3,566.98)
(iii) Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each)	185,223,966	178,199,806



## NOTES TO THE FINANCIAL STATEMENTS

### (ii) Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows:

(Rs. in million)

		Year ended 31.03.2017	Year ended 31.03.2016
(i)	Earnings used in the calculation of diluted earnings per share (in million)	(2,567.61)	(3,566.98)
(ii)	Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each)	185,223,966	178,199,806
(iii)	Shares deemed to be issued for no consideration in respect of:		
	- employee options	-	-
(iv)	Weighted average number of equity shares used in the calculation of diluted earnings per share (ii+iii)	185,223,966	178,199,806

\* There are no potential dilutive equity shares.

### 38. 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 Mewar Rajdev 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 Maa Sharda Vision Cable Networks Private Limited
- 36 Den F K Cable TV Network Private Limited
- 37 Den Shiva Cable Network Private Limited

## NOTES TO THE FINANCIAL STATEMENTS

- 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 Fab Den Network Private Limited
- 60 Fortune (Baroda) Network Private Limited
- 61 Den Infoking Channel Entertainers Private Limited
- 62 United Cable Network (Digital) Private Limited
- 63 Shri Ram Den Network Private Limited
- 64 Den Krishna Vision Private Limited
- 65 Cab-i-Net Communications Private Limited
- 66 Den Sahyog Cable Network Private Limited
- 67 Den Sariga Communications Private Limited
- 68 DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) (upto 30 March, 2016)
- 69 Den Kattakada Telecasting and Cable Services Private Limited
- 70 Den A.F. Communication Private Limited
- 71 Sree Gokulam Starnet Communication Private Limited
- 72 Big Den Entertainment Private Limited
- 73 Ambika DEN Cable Network Private Limited
- 74 Den Steel City Cable Network Private Limited
- 75 Crystal Vision Media Private Limited
- 76 Victor Cable Tv Network Private Limited
- 77 Sanmati DEN Cable TV Network Private Limited
- 78 Multi Channel Cable Network Private Limited
- 79 Gemini Cable Network Private Limited
- 80 Multi Star Cable Network Private Limited
- 81 DEN VM Magic Entertainment Private Limited
- 82 Matrix Cable Network Private Limited
- 83 Antique Communications Private Limited
- 84 Sanmati Entertainment Private Limited
- 85 Disk Cable Network Private Limited
- 86 Shaakumbari Den Media Private Limited
- 87 Silverline Television Network Private Limited
- 88 Ekta Entertainment Network Private Limited
- 89 Libra Cable Network Private Limited
- 90 Devine Cable Network Private Limited
- 91 Nectar Entertainment Private Limited

## NOTES TO THE FINANCIAL STATEMENTS

- 92 Pee Cee Cable Network Private Limited
- 93 Multitrack Cable Network Private Limited
- 94 Glimpse Communications Private Limited
- 95 Indradhanush Cable Network Private Limited
- 96 Adhunik Cable Network Private Limited
- 97 Blossom Entertainment Private Limited
- 98 Rose Entertainment Private Limited
- 99 Trident Entertainment Private Limited
- 100 Eminent Cable Network Private Limited
- 101 Mansion Cable Network Private Limited
- 102 Den Discovery Digital Network Private Limited
- 103 Jhankar Cable Network Private Limited
- 104 Den Premium Multilink Cable Network Private Limited
- 105 Scorpio Cable Network Private Limited
- 106 Desire Cable Network Private Limited
- 107 Marble Cable Network Private Limited
- 108 Augment Cable Network Private Limited
- 109 Macro Commerce Private Limited (w.e.f. 16 July, 2016)
- 110 Skynet Cable Network Private Limited (w.e.f. 1 April, 2016)

### ii. Subsidiaries held indirectly

- 1 Astonishing Network Private limited (formerly known as 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 Ambey Farukabad 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 Delhi Soccer Private Limited (formerly known as DEN SOCCER PRIVATE LIMITED) upto 30 March, 2016
- 13 Fun Cable Network Private Limited
- 14 Rajasthan Entertainment Private Limited
- 15 Kerela Entertainment Private Limited
- 16 Uttar Pradesh Digital Cable Network Private Limited
- 17 Saturn Digital Cable Private Limited
- 18 DEN Enjoy SBNM Cable Network Private Limited
- 19 Capital Entertainment Private Limited
- 20 Bhadohi DEN Entertainment Private Limited
- 21 DEN STN Television Network Private Limited
- 22 Srishti DEN Networks Private Limited
- 23 Maitri Cable Network Private Limited
- 24 Melody Cable Network Private Limited
- 25 Mountain Cable Network Private Limited
- 26 Portrait Cable Network Private Limited
- 27 DEN Prayag Cable Networks Private Limited
- 28 Angel Cable Network Private Limited
- 29 ABC Cable Network Private Limited
- 30 DEN MTN Star Vision Networks Private Limited

### b. Joint ventures

- 1 Star Den Media Services Private Limited (upto 30 March, 2016)
- 2 Media Pro Enterprise India Private Limited (upto 30 March, 2016)
- 3 Macro Commerce Private Limited (upto 15 July, 2016)

## NOTES TO THE FINANCIAL STATEMENTS

### c. Associate entities

- 1 DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED)
- 2 DEN ADN Network Private Limited
- 3 CCN DEN Network Private Limited
- 4 Den Satellite Network Private Limited

### d. Entities in which KMP can exercise significant influence

- 1 Lucid Systems Private Limited
- 2 Verve Engineering Private Limited

### e. Key managerial personnel

- 1 Mr. Sameer Manchanda (Chairman and Managing Director)
- 2 Mr. S.N Sharma (Chief Executive Officer)

### f. Other related party- employees welfare trust

- 1 DNL Employees Welfare Trust

### ii. Transactions/Outstanding balances with related parties during the year

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>A. Transactions during the year</b>								
<b>i. Sale of services</b>								
Den Satellite Network Private Limited	-	-	-	275.78	-	-	-	275.78
	(-)	(-)	(-)	(252.08)	(-)	(-)	(-)	(252.08)
DEN Ambey Cable Networks Private Limited	225.86	-	225.86	-	-	-	-	225.86
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	1,262.41	196.19	1,458.60	52.16	-	-	-	1,510.76
	(1,208.41)	(153.31)	(1,361.72)	(38.24)	(4.39)	(-)	(-)	(1,404.35)
<b>Total</b>	<b>1,488.27</b>	<b>196.19</b>	<b>1,684.46</b>	<b>327.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,012.40</b>
	<b>(1,208.41)</b>	<b>(153.31)</b>	<b>(1,361.72)</b>	<b>(290.32)</b>	<b>(4.39)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1,656.43)</b>
<b>ii. Sale of equipment</b>								
DEN Ambey Cable Networks Private Limited	3.89	-	3.89	-	-	-	-	3.89
	(96.62)	(-)	(96.62)	(-)	(-)	(-)	(-)	(96.62)
Den Enjoy Cable Networks Private Limited	-	-	-	-	-	-	-	-
	(120.85)	(-)	(120.85)	(-)	(-)	(-)	(-)	(120.85)
Den Satellite Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(147.29)	(-)	(-)	(-)	(147.29)
Eminent Cable Network Private Limited	1.21	-	1.21	-	-	-	-	1.21
	(83.96)	(-)	(83.96)	(-)	(-)	(-)	(-)	(83.96)
Den Premium Multilink Cable Network Private Limited	6.16	-	6.16	-	-	-	-	6.16
	(90.25)	(-)	(90.25)	(-)	(-)	(-)	(-)	(90.25)
Den-Manoranjan Satellite Private Limited	3.08	-	3.08	-	-	-	-	3.08
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	1.05	2.61	3.66	-	-	-	-	3.66
	(143.36)	(58.95)	(202.31)	(17.34)	(-)	(-)	(-)	(219.65)
<b>Total</b>	<b>15.39</b>	<b>2.61</b>	<b>18.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18.00</b>
	<b>(535.04)</b>	<b>(58.95)</b>	<b>(593.99)</b>	<b>(164.63)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(758.62)</b>
<b>iii. Other operating revenue</b>								
<b>a. Liabilities/ excess provisions written back (net)</b>								
Kerela Entertainment Private Limited	-	-	-	-	-	-	-	-



## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	(-)	(0.42)	(0.42)	(-)	(-)	(-)	(-)	(0.42)
Den Malabar Cable Vision Private Limited	-	-	-	-	-	-	-	-
DEN Malayalam Telenet Private Limited	(0.17)	(-)	(0.17)	(-)	(-)	(-)	(-)	(0.17)
Shaakumbari Den Media Private Limited	0.50	-	0.50	-	-	-	-	0.50
Desire Cable Network Private Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	1.79	-	1.79	-	-	-	-	1.79
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	-	-	-	-	-	-	-	-
	(0.43)	(-)	(0.43)	(-)	(-)	(-)	(-)	(0.43)
<b>Total</b>	<b>2.29</b>	<b>-</b>	<b>2.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.29</b>
	<b>(0.93)</b>	<b>(0.42)</b>	<b>(1.35)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1.35)</b>
<b>iv. Other income</b>								
<b>a. Interest income on financial assets carried at amortised cost</b>								
Shine Cable Network Private Limited	30.38	-	30.38	-	-	-	-	30.38
	(28.96)	(-)	(28.96)	(-)	(-)	(-)	(-)	(28.96)
Delhi Soccer Private Limited	-	-	-	-	-	-	-	-
	(-)	(59.85)	(59.85)	(-)	(-)	(-)	(-)	(59.85)
Den Futuristic Cable Networks Private Limited	7.42	-	7.42	-	-	-	-	7.42
	(11.25)	(-)	(11.25)	(-)	(-)	(-)	(-)	(11.25)
Others	5.15	1.97	7.12	0.95	-	-	-	8.07
	(5.55)	(1.97)	(7.52)	(-)	(-)	(-)	(-)	(7.52)
<b>Total</b>	<b>42.95</b>	<b>1.97</b>	<b>44.92</b>	<b>0.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45.87</b>
	<b>(45.76)</b>	<b>(61.82)</b>	<b>(107.58)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(107.58)</b>
<b>b. Interest income on sale under finance lease of assets</b>								
Den Rajkot City Communication Private Limited	0.97	-	0.97	-	-	-	-	0.97
	(6.19)	(-)	(6.19)	(-)	(-)	(-)	(-)	(6.19)
Eminent Cable Network Private Limited	2.20	-	2.20	-	-	-	-	2.20
	(6.90)	(-)	(6.90)	(-)	(-)	(-)	(-)	(6.90)
Den-Manoranjan Satellite Private Limited	1.32	-	1.32	-	-	-	-	1.32
	(5.67)	(-)	(5.67)	(-)	(-)	(-)	(-)	(5.67)
DEN Ambey Cable Networks Private Limited	1.49	-	1.49	-	-	-	-	1.49
	(5.59)	(-)	(5.59)	(-)	(-)	(-)	(-)	(5.59)
Den Discovery Digital Network Private Limited	2.02	-	2.02	-	-	-	-	2.02
	(6.95)	(-)	(6.95)	(-)	(-)	(-)	(-)	(6.95)
Den Enjoy Cable Networks Private Limited	1.50	-	1.50	-	-	-	-	1.50
	(5.20)	(-)	(5.20)	(-)	(-)	(-)	(-)	(5.20)
Mahavir Den Entertainment Private Limited	1.02	-	1.02	-	-	-	-	1.02
	(2.27)	(-)	(2.27)	(-)	(-)	(-)	(-)	(2.27)
<b>Total</b>	<b>10.52</b>	<b>-</b>	<b>10.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.52</b>
	<b>(38.77)</b>	<b>(-)</b>	<b>(38.77)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(38.77)</b>
<b>c. Dividend income</b>								
Mansion Cable Network Private Limited	1.77	-	1.77	-	-	-	-	1.77
	(52.75)	(-)	(52.75)	(-)	(-)	(-)	(-)	(52.75)
Den Enjoy Cable Networks Private Limited	-	-	-	-	-	-	-	-
	(14.82)	(-)	(14.82)	(-)	(-)	(-)	(-)	(14.82)
<b>Total</b>	<b>1.77</b>	<b>-</b>	<b>1.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.77</b>
	<b>(67.57)</b>	<b>(-)</b>	<b>(67.57)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(67.57)</b>

## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>v. Compensation of Key Managerial Personnel</b>								
<b>The remuneration of key managerial personnel during the year was as follows:</b>								
-Short-term employee benefits	-	-	-	-	-	-	48.55	48.55
	(-)	(-)	(-)	(-)	(-)	(-)	(27.65)	(27.65)
-Post-employment benefits	-	-	-	-	-	-	5.32	5.32
	(-)	(-)	(-)	(-)	(-)	(-)	(3.90)	(3.90)
-Share-based payments to employees	-	-	-	-	-	-	87.30	87.30
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141.17</b>	<b>141.17</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31.55)</b>	<b>(31.55)</b>
<b>vi. Purchase of services</b>								
DEN Ambey Cable Networks Private Limited	241.71	-	241.71	-	-	-	-	241.71
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Enjoy Cable Networks Private Limited	219.78	-	219.78	-	-	-	-	219.78
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	1,036.81	212.54	1,249.35	167.76	-	-	-	1,417.11
	(2,342.80)	(293.86)	(2,636.66)	(245.70)	(0.11)	(-)	(-)	(2,882.47)
<b>Total</b>	<b>1,498.30</b>	<b>212.54</b>	<b>1,710.84</b>	<b>167.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,878.60</b>
	<b>(2,342.80)</b>	<b>(293.86)</b>	<b>(2,636.66)</b>	<b>(245.70)</b>	<b>(0.11)</b>	<b>(-)</b>	<b>(-)</b>	<b>(2,882.47)</b>
<b>vii. Allowance on trade receivables and advances</b>								
Delhi Soccer Private Limited	-	-	-	-	-	-	-	-
	(-)	(89.82)	(89.82)	(-)	(-)	(-)	(-)	(89.82)
Den Rajkot City Communication Private Limited	13.69	-	13.69	-	-	-	-	13.69
	(15.00)	(-)	(15.00)	(-)	(-)	(-)	(-)	(15.00)
Drashti Cable Network Private Limited	7.30	-	7.30	-	-	-	-	7.30
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Trident Entertainment Private Limited	7.50	-	7.50	-	-	-	-	7.50
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	-	-	2.48	-	-	-	2.48
	(11.53)	(-)	(11.53)	(-)	(-)	(-)	(-)	(11.53)
<b>Total</b>	<b>28.49</b>	<b>-</b>	<b>28.49</b>	<b>2.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30.97</b>
	<b>(26.53)</b>	<b>(89.82)</b>	<b>(116.35)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(116.35)</b>
<b>viii. Sale of property, plant and equipment</b>								
Den F K Cable TV Network Private Limited	-	-	-	-	-	-	-	-
	(0.49)	(-)	(0.49)	(-)	(-)	(-)	(-)	(0.49)
Mansion Cable Network Private Limited	-	-	-	-	-	-	-	-
	(0.02)	(-)	(0.02)	(-)	(-)	(-)	(-)	(0.02)
Eminent Cable Network Private Limited	-	-	-	-	-	-	-	-
	(0.46)	(-)	(0.46)	(-)	(-)	(-)	(-)	(0.46)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>(0.97)</b>	<b>(-)</b>	<b>(0.97)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(0.97)</b>
<b>ix. Reimbursement of expenses (received)</b>								
Amogh Broad Band Services Private Limited	0.53	-	0.53	-	-	-	-	0.53
	(30.04)	(-)	(30.04)	(-)	(-)	(-)	(-)	(30.04)
Srishti DEN Networks Private Limited	-	0.36	0.36	-	-	-	-	0.36
	(-)	(-)	-	(-)	(-)	(-)	(-)	-
Others	1.19	0.09	1.28	0.05	-	-	-	1.33
	(22.10)	(5.34)	(27.44)	(0.06)	(0.07)	(-)	(-)	(27.57)
<b>Total</b>	<b>1.72</b>	<b>0.45</b>	<b>2.17</b>	<b>0.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.22</b>
	<b>(52.14)</b>	<b>(5.34)</b>	<b>(57.48)</b>	<b>(0.06)</b>	<b>(0.07)</b>	<b>(-)</b>	<b>(-)</b>	<b>(57.61)</b>



## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>x. Reimbursement of expenses (paid)</b>								
Amogh Broad Band Services Private Limited	-	-	-	-	-	-	-	-
	(30.30)	(-)	(30.30)	(-)	(-)	(-)	(-)	(30.30)
Den Ucn Network India Private Limited	-	-	-	-	-	-	-	-
	(12.31)	(-)	(12.31)	(-)	(-)	(-)	(-)	(12.31)
Den Bellary City Cable Private Limited	-	-	-	-	-	-	-	-
	(6.87)	(-)	(6.87)	(-)	(-)	(-)	(-)	(6.87)
Den Fateh Marketing Private Limited	11.84	-	11.84	-	-	-	-	11.84
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Mahendra Satellite Private Limited	2.14	-	2.14	-	-	-	-	2.14
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	0.58	1.50	2.08	-	-	-	-	2.08
	(3.11)	(0.60)	(3.71)	(2.84)	(0.04)	(-)	(-)	(6.59)
<b>Total</b>	<b>14.56</b>	<b>1.50</b>	<b>16.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.06</b>
	<b>(52.59)</b>	<b>(0.60)</b>	<b>(53.19)</b>	<b>(2.84)</b>	<b>(0.04)</b>	<b>(-)</b>	<b>(-)</b>	<b>(56.07)</b>
<b>xi. Investments made during the year (Equity and/or preference share capital)</b>								
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	-	-	-	104.50	-	-	-	104.50
	(354.45)	(-)	(354.45)	(-)	(-)	(-)	(-)	(354.45)
Macro Commerce Private Limited	60.00	-	60.00	-	-	-	-	60.00
	(-)	(-)	(-)	(-)	(100.00)	(-)	(-)	(100.00)
Srishti DEN Networks Private Limited	-	-	-	-	-	-	-	-
	(-)	(69.66)	(69.66)	(-)	(-)	(-)	(-)	(69.66)
Others	20.57	-	20.57	-	-	-	-	20.57
	(65.36)	(-)	(65.36)	(-)	(-)	(-)	(-)	(65.36)
<b>Total</b>	<b>80.57</b>	<b>-</b>	<b>80.57</b>	<b>104.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185.07</b>
	<b>(419.81)</b>	<b>(69.66)</b>	<b>(489.47)</b>	<b>(-)</b>	<b>(100.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(589.47)</b>
<b>xii. Investments sold during the year (Equity and/or preference share capital)</b>								
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	-	-	-	80.00	-	-	-	80.00
	(215.00)	(-)	(215.00)	(-)	(-)	(-)	(-)	(215.00)
Star Den Media Services Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(403.50)	(-)	(-)	(403.50)
Others	19.20	-	19.20	-	-	-	-	19.20
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>19.20</b>	<b>-</b>	<b>19.20</b>	<b>80.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99.20</b>
	<b>(215.00)</b>	<b>(-)</b>	<b>(215.00)</b>	<b>(-)</b>	<b>(403.50)</b>	<b>(-)</b>	<b>(-)</b>	<b>(618.50)</b>
<b>xiii. Loans given during the year</b>								
Den Futuristic Cable Networks Private Limited	50.00	-	50.00	-	-	-	-	50.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DEN Digital Entertainment Gujarat Private Limited	66.12	-	66.12	-	-	-	-	66.12
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	-	-	-	-	-	-	-	-
	(192.49)	(-)	(192.49)	(-)	(-)	(-)	(-)	(192.49)
Delhi Soccer Private Limited	-	-	-	-	-	-	-	-
	(-)	(594.35)	(594.35)	(-)	(-)	(-)	(-)	(594.35)
Macro Commerce Private Limited	38.61	-	38.61	-	-	-	-	38.61
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Others	20.00	-	20.00	-	-	-	-	20.00
	(12.75)	(-)	(12.75)	(-)	(-)	(-)	(-)	(12.75)
<b>Total</b>	<b>174.73</b>	<b>-</b>	<b>174.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174.73</b>
	<b>(205.24)</b>	<b>(594.35)</b>	<b>(799.59)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(799.59)</b>
<b>xiv. Loans received back during the year</b>								
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	-	-	-	192.49	-	-	-	192.49
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Delhi Soccer Private Limited	-	-	-	-	-	-	-	-
	(-)	(806.60)	(806.60)	(-)	(-)	(-)	(-)	(806.60)
Den Futuristic Cable Networks Private Limited	75.00	-	75.00	-	-	-	-	75.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Entertainment Network Private Limited	10.00	-	10.00	-	-	-	-	10.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DEN Digital Entertainment Gujarat Private Limited	73.12	-	73.12	-	-	-	-	73.12
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	-	-	-	-	-	-	-
	(6.30)	(-)	(6.30)	(-)	(-)	(-)	(-)	(6.30)
<b>Total</b>	<b>158.12</b>	<b>-</b>	<b>158.12</b>	<b>192.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350.61</b>
	<b>(6.30)</b>	<b>(806.60)</b>	<b>(812.90)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(812.90)</b>
<b>xv. Provision for impairment in value of investments in subsidiary companies and associate</b>								
Macro Commerce Private Limited	210.00	-	210.00	-	-	-	-	210.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	-	-	-	248.42	-	-	-	248.42
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Mewar Rajdev Cable Network Private Limited	-	-	-	-	-	-	-	-
	(53.51)	(-)	(53.51)	(-)	(-)	(-)	(-)	(53.51)
Mahadev Den Network Private Limited	-	-	-	-	-	-	-	-
	(48.78)	(-)	(48.78)	(-)	(-)	(-)	(-)	(48.78)
Galaxy Den Media & Entertainment Private Limited	-	-	-	-	-	-	-	-
	(43.35)	(-)	(43.35)	(-)	(-)	(-)	(-)	(43.35)
Radiant Satellite (India) Private Limited	-	-	-	-	-	-	-	-
	(46.00)	(-)	(46.00)	(-)	(-)	(-)	(-)	(46.00)
Others	-	-	-	-	-	-	-	-
	(42.73)	(-)	(42.73)	(-)	(-)	(-)	(-)	(42.73)
<b>Total</b>	<b>210.00</b>	<b>-</b>	<b>210.00</b>	<b>248.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>458.42</b>
	<b>(234.37)</b>	<b>(-)</b>	<b>(234.37)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(234.37)</b>
<b>xvi. Letter of comfort given*</b>								
Den Harsh Mann Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Classic Cable TV Services Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Devine Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Nectar Entertainment Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Glimpse Communications Private Limited	-	-	-	-	-	-	-	-



## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Indradhanush Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Astonishing Network Private Limited (Formerly Den Nanak Communication Private Limited)	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Pradeep Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Prince Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Jai Ambey Vision Cable Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DEN Bhadohi Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Kishna DEN Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Divya Drishti Den Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
ABC Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Maitri Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Angel Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Ambey Jhansi Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DEN Enjoy SBNM Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Fateh Marketing Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DEN STN Television Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Disk Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mountain Cable Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Star Channel Den Network Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DEN VM Magic Entertainment Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

\* The Company has undertaken to arrange for the necessary financial support to subsidiaries (held directly or indirectly) in the form of capital funding and/or short term funding for meeting their business requirements.

## NOTES TO THE FINANCIAL STATEMENTS

### B. Outstanding balances at year end

#### i. Investments in subsidiaries, associates and joint ventures (Equity and/or preference share capital)

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Amogh Broad Band Services Private Limited	31 March, 2017	1,114.11	-	1,114.11	-	-	-	-	1,114.11
	31 March, 2016	(1,106.44)	(-)	(1,106.44)	(-)	(-)	(-)	(-)	(1,106.44)
	1 April, 2015	(1,099.66)	(-)	(1,099.66)	(-)	(-)	(-)	(-)	(1,099.66)
Others	31 March, 2017	4,258.89	-	4,258.89	751.31	-	-	-	5,010.21
	31 March, 2016	(4,031.28)	(-)	(4,031.28)	(857.34)	(150.00)	(-)	(-)	(5,038.62)
	1 April, 2015	(4,105.93)	(-)	(4,105.93)	(502.89)	(75.00)	(-)	(-)	(4,683.82)
<b>Total</b>		<b>5,373.00</b>	<b>-</b>	<b>5,373.00</b>	<b>751.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,124.31</b>
		<b>(5,137.72)</b>	<b>(-)</b>	<b>(5,137.72)</b>	<b>(857.34)</b>	<b>(150.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(6,145.06)</b>
		<b>(5,205.59)</b>	<b>(-)</b>	<b>(5,205.59)</b>	<b>(502.89)</b>	<b>(75.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(5,783.48)</b>
Less : Provision for impairment in value of investments in subsidiary companies	31 March, 2017	488.01	-	488.01	248.42	-	-	-	736.43
	31 March, 2016	(278.01)	(-)	(278.01)	(-)	(-)	(-)	(-)	(278.01)
	1 April, 2015	(43.65)	(-)	(43.65)	(-)	(-)	(-)	(-)	(43.65)
<b>Total</b>		<b>4,884.99</b>	<b>-</b>	<b>4,884.99</b>	<b>502.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,387.87</b>
		<b>(4,859.71)</b>	<b>(-)</b>	<b>(4,859.71)</b>	<b>(857.34)</b>	<b>(150.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(5,867.05)</b>
		<b>(5,161.94)</b>	<b>(-)</b>	<b>(5,161.94)</b>	<b>(502.89)</b>	<b>(75.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(5,739.83)</b>

#### ii. Finance lease receivables

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Den Enjoy Cable Networks Private Limited	31 March, 2017	2.08	-	2.08	-	-	-	-	2.08
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(80.58)	(-)	(80.58)	(-)	(-)	(-)	(-)	(80.58)
DEN Ambey Cable Networks Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(42.73)	(-)	(42.73)	(-)	(-)	(-)	(-)	(42.73)
	1 April, 2015	(92.72)	(-)	(92.72)	(-)	(-)	(-)	(-)	(92.72)
Den Rajkot City Communication Private Limited	31 March, 2017	8.29	-	8.29	-	-	-	-	8.29
	31 March, 2016	(61.67)	(-)	(61.67)	(-)	(-)	(-)	(-)	(61.67)
	1 April, 2015	(90.92)	(-)	(90.92)	(-)	(-)	(-)	(-)	(90.92)
Den-Manoranjan Satellite Private Limited	31 March, 2017	13.89	-	13.89	-	-	-	-	13.89
	31 March, 2016	(44.86)	(-)	(44.86)	(-)	(-)	(-)	(-)	(44.86)
	1 April, 2015	(64.14)	(-)	(64.14)	(-)	(-)	(-)	(-)	(64.14)
Eminent Cable Network Private Limited	31 March, 2017	91.56	-	91.56	-	-	-	-	91.56
	31 March, 2016	(123.26)	(-)	(123.26)	(-)	(-)	(-)	(-)	(123.26)
	1 April, 2015	(159.14)	(-)	(159.14)	(-)	(-)	(-)	(-)	(159.14)
Den Discovery Digital Network Private Limited	31 March, 2017	30.43	-	30.43	-	-	-	-	30.43

## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	31 March, 2016	(71.30)	(-)	(71.30)	(-)	(-)	(-)	(-)	(71.30)
	1 April, 2015	(90.69)	(-)	(90.69)	(-)	(-)	(-)	(-)	(90.69)
Others	31 March, 2017	8.77	-	8.77	-	-	-	-	8.77
	31 March, 2016	(84.83)	(-)	(84.83)	(-)	(-)	(-)	(-)	(84.83)
	1 April, 2015	(92.89)	(-)	(92.89)	(-)	(-)	(-)	(-)	(92.89)
Less: Provision for receivable under finance lease	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(12.70)	(-)	(12.70)	(-)	(-)	(-)	(-)	(12.70)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>		<b>155.02</b>	<b>-</b>	<b>155.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155.02</b>
		<b>(415.95)</b>	<b>(-)</b>	<b>(415.95)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(415.95)</b>
		<b>(671.08)</b>	<b>(-)</b>	<b>(671.08)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(671.08)</b>

### iii. Other financial assets

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>a. Security deposits</b>									
Media Pro Enterprise India Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(3.49)	(-)	(-)	(3.49)
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
		<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(3.49)</b>	<b>(-)</b>	<b>(-)</b>	<b>(3.49)</b>
<b>b. Advances recoverable</b>									
DEN Ambey Cable Networks Private Limited	31 March, 2017	37.43	-	37.43	-	-	-	-	37.43
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Enjoy Cable Networks Private Limited	31 March, 2017	32.85	-	32.85	-	-	-	-	32.85
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Eminent Cable Network Private Limited	31 March, 2017	31.63	-	31.63	-	-	-	-	31.63
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mansion Cable Network Private Limited	31 March, 2017	47.16	-	47.16	-	-	-	-	47.16
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Satellite Cable TV Network Private Limited	31 March, 2017	1.58	-	1.58	-	-	-	-	1.58
	31 March, 2016	(124.80)	(-)	(124.80)	(-)	(-)	(-)	(-)	(124.80)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Mewar Rajdev Cable Network Private Limited	31 March, 2017	17.91	-	17.91	-	-	-	-	17.91
	31 March, 2016	(22.04)	(-)	(22.04)	(-)	(-)	(-)	(-)	(22.04)
	1 April, 2015	(22.70)	(-)	(22.70)	(-)	(-)	(-)	(-)	(22.70)

## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Den Fateh Marketing Private Limited	31 March, 2017	29.30	-	29.30	-	-	-	-	29.30
	31 March, 2016	(12.43)	(-)	(12.43)	(-)	(-)	(-)	(-)	(12.43)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Bellary City Cable Private Limited	31 March, 2017	9.00	-	9.00	-	-	-	-	9.00
	31 March, 2016	(9.67)	(-)	(9.67)	(-)	(-)	(-)	(-)	(9.67)
	1 April, 2015	(-)	(-)	-	(-)	(-)	(-)	(-)	(-)
Others	31 March, 2017	120.72	41.47	162.19	1.46	-	-	-	163.65
	31 March, 2016	(34.44)	(26.49)	(60.93)	(10.66)	(3.91)	(0.02)	(-)	(75.52)
	1 April, 2015	(123.91)	(18.18)	(142.09)	(16.09)	(2.57)	(0.02)	(-)	(160.77)
<b>Total</b>		<b>327.58</b>	<b>41.47</b>	<b>369.05</b>	<b>1.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>370.51</b>
		<b>(203.38)</b>	<b>(26.49)</b>	<b>(229.87)</b>	<b>(10.66)</b>	<b>(3.91)</b>	<b>(0.02)</b>	<b>(-)</b>	<b>(244.46)</b>
		<b>(146.61)</b>	<b>(18.18)</b>	<b>(164.79)</b>	<b>(16.09)</b>	<b>(2.57)</b>	<b>(0.02)</b>	<b>(-)</b>	<b>(183.47)</b>
<b>c. Share application money paid pending allotment</b>									
DEN Ambey Cable Networks Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(11.21)	(-)	(11.21)	(-)	(-)	(-)	(-)	(11.21)
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
		<b>(11.21)</b>	<b>(-)</b>	<b>(11.21)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(11.21)</b>
<b>d. Unbilled revenue</b>									
DEN Ambey Cable Networks Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(19.36)	(-)	(19.36)	(-)	(-)	(-)	(-)	(19.36)
Den Enjoy Cable Networks Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(5.87)	(-)	(5.87)	(-)	(-)	(-)	(-)	(5.87)
Den Rajkot City Communication Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(14.57)	(-)	(14.57)	(-)	(-)	(-)	(-)	(14.57)
Libra Cable Network Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(13.55)	(-)	(13.55)	(-)	(-)	(-)	(-)	(13.55)
Den Satellite Network Private Limited	31 March, 2017	-	-	-	0.32	-	-	-	0.32
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(13.93)	(-)	(-)	(-)	(13.93)
Mansion Cable Network Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(0.75)	(-)	(0.75)	(-)	(-)	(-)	(-)	(0.75)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Eminent Cable Network Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(0.26)	(-)	(0.26)	(-)	(-)	(-)	(-)	(0.26)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	31 March, 2017	0.59	-	0.59	-	-	-	-	0.59



## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	31 March, 2016	(0.12)	(-)	(0.12)	(-)	(-)	(-)	(-)	(0.12)
	1 April, 2015	(25.34)	(10.09)	(35.43)	(-)	(-)	(-)	(-)	(35.43)
<b>Total</b>		<b>0.59</b>	<b>-</b>	<b>0.59</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.91</b>
		<b>(1.13)</b>	<b>(-)</b>	<b>(1.13)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1.13)</b>
		<b>(78.69)</b>	<b>(10.09)</b>	<b>(88.78)</b>	<b>(13.93)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(102.71)</b>
<b>e. Interest accrued and due</b>									
Radiant Satellite (India) Private Limited	31 March, 2017	11.58	-	11.58	-	-	-	-	11.58
	31 March, 2016	(-)	(-)	-	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(6.08)	(-)	(6.08)	(-)	(-)	(-)	(-)	(6.08)
Den Futuristic Cable Networks Private Limited	31 March, 2017	6.43	-	6.43	-	-	-	-	6.43
	31 March, 2016	(28.58)	(-)	(28.58)	(-)	(-)	(-)	(-)	(28.58)
	1 April, 2015	(17.44)	(-)	(17.44)	(-)	(-)	(-)	(-)	(17.44)
Den Digital Entertainment Gujarat Private Limited	31 March, 2017	12.40	-	12.40	-	-	-	-	12.40
	31 March, 2016	(12.98)	(-)	(12.98)	(-)	(-)	(-)	(-)	(12.98)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Meerut Cable Network Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(23.66)	(-)	(23.66)	(-)	(-)	(-)	(-)	(23.66)
DELHI SOCCER PRIVATE LIMITED	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(17.43)	(17.43)	(-)	(-)	(-)	(-)	(17.43)
Shine Cable Network Private Limited	31 March, 2017	55.01	-	55.01	-	-	-	-	55.01
	31 March, 2016	(32.46)	(-)	(32.46)	(-)	(-)	(-)	(-)	(32.46)
	1 April, 2015	(26.33)	(-)	(26.33)	(-)	(-)	(-)	(-)	(26.33)
Others	31 March, 2017	13.71	11.67	25.38	0.96	-	-	-	26.34
	31 March, 2016	(19.74)	(9.74)	(29.48)	(-)	(0.68)	(-)	(-)	(30.16)
	1 April, 2015	(23.29)	(7.81)	(31.10)	(0.44)	(0.76)	(-)	(-)	(32.30)
<b>Total</b>		<b>99.13</b>	<b>11.67</b>	<b>110.80</b>	<b>0.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111.76</b>
		<b>(93.76)</b>	<b>(9.74)</b>	<b>(103.50)</b>	<b>(-)</b>	<b>(0.68)</b>	<b>(-)</b>	<b>(-)</b>	<b>(104.18)</b>
		<b>(96.80)</b>	<b>(25.24)</b>	<b>(122.04)</b>	<b>(0.44)</b>	<b>(0.76)</b>	<b>(-)</b>	<b>(-)</b>	<b>(123.24)</b>
<b>f. Receivable on sale of property, plant and equipment</b>									
Srishti DEN Networks Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(69.66)	(69.66)	(-)	(-)	(-)	(-)	(69.66)
DEN Ambey Cable Networks Private Limited	31 March, 2017	4.66	-	4.66	-	-	-	-	4.66
	31 March, 2016	(41.40)	(-)	(41.40)	(-)	(-)	(-)	(-)	(41.40)
	1 April, 2015	(94.44)	(-)	(94.44)	(-)	(-)	(-)	(-)	(94.44)
Eminent Cable Network Private Limited	31 March, 2017	28.09	-	28.09	-	-	-	-	28.09
	31 March, 2016	(32.02)	(-)	(32.02)	(-)	(-)	(-)	(-)	(32.02)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Enjoy Cable Networks Private Limited	31 March, 2017	12.12	-	12.12	-	-	-	-	12.12
	31 March, 2016	(24.12)	(-)	(24.12)	(-)	(-)	(-)	(-)	(24.12)

## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	1 April, 2015	(34.86)	(-)	(34.86)	(-)	(-)	(-)	(-)	(34.86)
Den Kashi Cable Network Private Limited	31 March, 2017	11.05	-	11.05	-	-	-	-	11.05
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
CCN DEN Network Private Limited	31 March, 2017	-	-	-	12.62	-	-	-	12.62
	31 March, 2016	(-)	(-)	(-)	(12.62)	(-)	(-)	(-)	(12.62)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Satellite Network Private Limited	31 March, 2017	-	-	-	0.12	-	-	-	0.12
	31 March, 2016	(-)	(-)	(-)	(30.66)	(-)	(-)	(-)	(30.66)
	1 April, 2015	(-)	(-)	(-)	(44.30)	(-)	(-)	(-)	(44.30)
Others	31 March, 2017	48.07	0.01	48.08	-	-	-	-	48.08
	31 March, 2016	(55.17)	(0.01)	(55.18)	(-)	(-)	(-)	(-)	(55.18)
	1 April, 2015	(128.55)	(0.01)	(128.56)	(-)	(-)	(-)	(-)	(128.56)
<b>Total</b>		<b>103.99</b>	<b>0.01</b>	<b>104.00</b>	<b>12.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116.74</b>
		<b>(152.71)</b>	<b>(0.01)</b>	<b>(152.72)</b>	<b>(43.28)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(196.00)</b>
		<b>(257.85)</b>	<b>(69.67)</b>	<b>(327.52)</b>	<b>(44.30)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(371.82)</b>

### iv. Trade receivables

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Den Satellite Network Private Limited	31 March, 2017	-	-	-	534.89	-	-	-	534.89
	31 March, 2016	(-)	(-)	(-)	(417.05)	(-)	(-)	(-)	(417.05)
	1 April, 2015	(-)	(-)	(-)	(171.32)	(-)	(-)	(-)	(171.32)
Others	31 March, 2017	1,312.80	139.95	1,452.75	28.04	-	-	-	1,480.79
	31 March, 2016	(1,171.60)	(128.22)	(1,299.82)	(10.45)	(5.35)	(-)	(-)	(1,315.62)
	1 April, 2015	(751.62)	(72.61)	(824.23)	(14.35)	(1.21)	(-)	(-)	(839.78)
<b>Total</b>		<b>1,312.80</b>	<b>139.95</b>	<b>1,452.75</b>	<b>562.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,015.68</b>
		<b>(1,171.60)</b>	<b>(128.22)</b>	<b>(1,299.82)</b>	<b>(427.50)</b>	<b>(5.35)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1,732.67)</b>
		<b>(751.62)</b>	<b>(72.61)</b>	<b>(824.23)</b>	<b>(185.67)</b>	<b>(1.21)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1,011.11)</b>

### v. Loans

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Shine Cable Network Private Limited	31 March, 2017	202.55	-	202.55	-	-	-	-	202.55
	31 March, 2016	(202.55)	(-)	(202.55)	(-)	(-)	(-)	(-)	(202.55)
	1 April, 2015	(189.80)	(-)	(189.80)	(-)	(-)	(-)	(-)	(189.80)
Den Futuristic Cable Networks Private Limited	31 March, 2017	50.00	-	50.00	-	-	-	-	50.00
	31 March, 2016	(75.00)	(-)	(75.00)	(-)	(-)	(-)	(-)	(75.00)





## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	1 April, 2015	(75.00)	(-)	(75.00)	(-)	(-)	(-)	(-)	(75.00)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(192.49)	(-)	(-)	(-)	(192.49)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Delhi Soccer Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(108.60)	(-)	(-)	(-)	(108.60)
	1 April, 2015	(-)	(334.85)	(334.85)	(-)	(-)	(-)	(-)	(334.85)
Macro Commerce Private Limited	31 March, 2017	37.21	-	37.21	-	-	-	-	37.21
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	31 March, 2017	34.44	13.12	47.56	-	-	-	-	47.56
	31 March, 2016	(31.44)	(13.12)	(44.56)	(-)	(-)	(-)	(-)	(44.56)
	1 April, 2015	(37.75)	(13.11)	(50.86)	(-)	(-)	(-)	(-)	(50.86)
<b>Total</b>		<b>324.20</b>	<b>13.12</b>	<b>337.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>337.32</b>
		<b>(308.99)</b>	<b>(13.12)</b>	<b>(322.11)</b>	<b>(301.09)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(623.20)</b>
		<b>(302.55)</b>	<b>(347.96)</b>	<b>(650.51)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(650.51)</b>

### vi. Other financial liabilities

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>a. Security deposits received</b>									
DEN Mahendra Satellite Private Limited	31 March, 2017	0.12	-	0.12	-	-	-	-	0.12
	31 March, 2016	(0.12)	(-)	(0.12)	(-)	(-)	(-)	(-)	(0.12)
	1 April, 2015	(0.12)	(-)	(0.12)	(-)	(-)	(-)	(-)	(0.12)
DEN Prayag Cable Networks Private Limited	31 March, 2017	-	0.02	0.02	-	-	-	-	0.02
	31 March, 2016	(-)	(0.02)	(0.02)	(-)	(-)	(-)	(-)	(0.02)
	1 April, 2015	(-)	(0.02)	(0.02)	(-)	(-)	(-)	(-)	(0.02)
<b>Total</b>		<b>0.12</b>	<b>0.02</b>	<b>0.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.14</b>
		<b>(0.12)</b>	<b>(0.02)</b>	<b>(0.14)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(0.14)</b>
		<b>(0.12)</b>	<b>(0.02)</b>	<b>(0.14)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(0.14)</b>

### vii. Trade payables

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Den Satellite Network Private Limited	31 March, 2017	-	-	-	313.94	-	-	-	313.94
	31 March, 2016	(-)	(-)	(-)	(178.12)	(-)	(-)	(-)	(178.12)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
Den Enjoy Cable Networks Private Limited	31 March, 2017	161.24	-	161.24	-	-	-	-	161.24
	31 March, 2016	(183.33)	(-)	(183.33)	(-)	(-)	(-)	(-)	(183.33)
	1 April, 2015	(190.16)	(-)	(190.16)	(-)	(-)	(-)	(-)	(190.16)
Mansion Cable Network Private Limited	31 March, 2017	139.07	-	139.07	-	-	-	-	139.07
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(125.55)	(-)	(125.55)	(-)	(-)	(-)	(-)	(125.55)
DEN Ambey Cable Networks Private Limited	31 March, 2017	108.78	-	108.78	-	-	-	-	108.78
	31 March, 2016	(177.83)	(-)	(177.83)	(-)	(-)	(-)	(-)	(177.83)
	1 April, 2015	(123.43)	(-)	(123.43)	(-)	(-)	(-)	(-)	(123.43)
Den Sky Media Network Private Limited	31 March, 2017	127.36	-	127.36	-	-	-	-	127.36
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	31 March, 2017	364.39	71.40	435.79	-	-	-	-	435.79
	31 March, 2016	(963.12)	(171.87)	(1,134.99)	(29.92)	(1.67)	(-)	(-)	(1,166.58)
	1 April, 2015	(571.76)	(149.58)	(721.34)	(42.13)	(-)	(-)	(-)	(763.47)
<b>Total</b>		<b>900.84</b>	<b>71.40</b>	<b>972.24</b>	<b>313.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,286.18</b>
		<b>(1,324.28)</b>	<b>(171.87)</b>	<b>(1,496.15)</b>	<b>(208.04)</b>	<b>(1.67)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1,705.86)</b>
		<b>(1,010.90)</b>	<b>(149.58)</b>	<b>(1,160.48)</b>	<b>(42.13)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1,202.61)</b>

### viii. Other current liabilities

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>a. Deferred revenue</b>									
Den Digital Cable Network Private Limited	31 March, 2017	2.82	-	2.82	-	-	-	-	2.82
	31 March, 2016	(2.70)	(-)	(2.70)	(-)	(-)	(-)	(-)	(2.70)
	1 April, 2015	(0.49)	(-)	(0.49)	(-)	(-)	(-)	(-)	(0.49)
Den A.F. Communication Private Limited	31 March, 2017	0.89	-	0.89	-	-	-	-	0.89
	31 March, 2016	(0.89)	(-)	(0.89)	(-)	(-)	(-)	(-)	(0.89)
	1 April, 2015	(0.89)	(-)	(0.89)	(-)	(-)	(-)	(-)	(0.89)
Eminent Cable Network Private Limited	31 March, 2017	12.01	-	12.01	-	-	-	-	12.01
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Den Enjoy Cable Networks Private Limited	31 March, 2017	5.41	-	5.41	-	-	-	-	5.41
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(0.37)	(-)	(0.37)	(-)	(-)	(-)	(-)	(0.37)
Cab-i-Net Communications Private Limited	31 March, 2017	1.14	-	1.14	-	-	-	-	1.14
	31 March, 2016	(0.98)	(-)	(0.98)	(-)	(-)	(-)	(-)	(0.98)
	1 April, 2015	(1.16)	(-)	(1.16)	(-)	(-)	(-)	(-)	(1.16)
Den Bellary City Cable Private Limited	31 March, 2017	-	-	-	-	-	-	-	-



## NOTES TO THE FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Subsidiaries held directly	Subsidiaries held indirectly	Subsidiaries held directly and indirectly	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(1.32)	(-)	(1.32)	(-)	(-)	(-)	(-)	(1.32)
Others	31 March, 2017	25.47	2.18	27.64	5.65	-	-	-	33.30
	31 March, 2016	(2.39)	(1.04)	(3.43)	(-)	(-)	(-)	(-)	(3.43)
	1 April, 2015	(3.72)	(1.44)	(5.16)	(0.79)	(-)	(-)	(-)	(5.95)
<b>Total</b>		<b>47.74</b>	<b>2.18</b>	<b>49.92</b>	<b>5.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55.57</b>
		<b>(6.96)</b>	<b>(1.04)</b>	<b>(8.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(8.00)</b>
		<b>(7.95)</b>	<b>(1.44)</b>	<b>(9.39)</b>	<b>(0.79)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(10.18)</b>
<b>b. Advances from customers</b>									
Den Enjoy Navaratan Network Private Limited	31 March, 2017	-	70.00	70.00	-	-	-	-	70.00
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Ekta Entertainment Network Private Limited	31 March, 2017	0.05	-	0.05	-	-	-	-	0.05
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(0.78)	(-)	(0.78)	(-)	(-)	(-)	(-)	(0.78)
DEN Ambey Cable Networks Private Limited	31 March, 2017	0.44	-	0.44	-	-	-	-	0.44
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
DEN ADN Network Private Limited	31 March, 2017	-	-	-	5.68	-	-	-	5.68
	31 March, 2016	(-)	(-)	(-)	(15.47)	(-)	(-)	(-)	(15.47)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Kerela Entertainment Private Limited	31 March, 2017	-	-	-	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(1.27)	(1.27)	(-)	(-)	(-)	(-)	(1.27)
CCN DEN Network Private Limited	31 March, 2017	-	-	-	0.99	-	-	-	0.99
	31 March, 2016	(-)	(-)	(-)	(8.83)	(-)	(-)	(-)	(8.83)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Others	31 March, 2017	0.01	-	0.01	-	-	-	-	0.01
	31 March, 2016	(2.60)	(0.43)	(3.03)	(-)	(-)	(-)	(-)	(3.03)
	1 April, 2015	(1.78)	(0.23)	(2.01)	(0.01)	(-)	(-)	(-)	(2.02)
<b>Total</b>		<b>0.50</b>	<b>70.00</b>	<b>70.50</b>	<b>6.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77.17</b>
		<b>(2.60)</b>	<b>(0.43)</b>	<b>(3.03)</b>	<b>(24.30)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(27.33)</b>
		<b>(2.56)</b>	<b>(1.50)</b>	<b>(4.06)</b>	<b>(0.01)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(4.07)</b>

- ix. Amount recoverable from DNL Employees Welfare Trust as at 31 March, 2017: Rs. 0.36 million (As at 31 March, 2016: Rs. 0.36 million; As at 1 April, 2015: Rs. 0.36 million)
- x. Guarantee given by the Company for a term loan taken from bank by an associate Company, Den Satellite Network Private Limited outstanding as at the end of the year amounted to Rs. 250 million [As at 31 March, 2016: Rs. 250 million; As at 1 April, 2015: Rs. 250 million].
- xi. Lucid Systems Private Limited ('LSPL') has given guarantee by way of pledge of 8.20 million (previous year - 5.50 million) equity shares held in the Company for credit facilities availed by the Company on loans taken from a financial institution / bank during the year ended 31 March, 2017 and 31 March, 2016.
- xii. Mr. Sameer Manchanda (Chairman and Managing Director of the Company) had extended guarantee for a term loan as at 31 March, 2017: Rs. Nil (As at 31 March, 2016: Rs. Nil; As at 1 April, 2015: Rs. 184.88 million) borrowed from a bank by a subsidiary Company.

## NOTES TO THE FINANCIAL STATEMENTS

### 39. Share Based payments

#### A. Employee Stock Option Plan 2010 ("ESOP 2010")

##### a) Details of the employee share option plan of the company

The weighted average fair value of the share options granted under ESOP 2010 during the financial year is Rs. 29.11 (during the year ended 31 March, 2016: Rs. 29.34). Options were priced using Black Scholes model

The Company had established an Employee Stock Option Plan (ESOP 2010) in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, which has been approved by the Board of Directors and the shareholders. A Nomination and Remuneration / Compensation Committee comprising majority of independent, non-executive members of the Board of Directors administers the ESOPs. All option under the ESOPs are exercisable for equity shares. The Company had taken approval of the Shareholders to grant and allot upto 5,219,599 equity options under the said scheme. The total outstanding options under the scheme are 850,000 equity options.

There shall be a minimum period of one year between the grant of options and vesting of options. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

As per approval of the shareholder, the Company may issue options to employees of the Company/ subsidiaries/ directors of the subsidiaries.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the receipt of the option. The options carry neither rights to dividend nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share based arrangements were in existence during the current and prior years :

Options Series	Number	Grant date	Expiry date	Forefeiture date	Exercise Price	Fair value at grant date
1 DEN ESOP Scheme, 2010 (Granted on 13 February, 2015)	430,000	13-Feb-15	12-Feb-18	1-Apr-16	160.00	16.40
	200,000	13-Feb-15	12-Feb-18	15-Feb-17	160.00	16.40
	255,000	13-Feb-15	12-Feb-18	-	160.00	16.40
	212,500	13-Feb-15	12-Feb-19	-	160.00	26.76
	212,500	13-Feb-15	12-Feb-20	-	160.00	35.52
2 DEN ESOP Scheme, 2010 (Granted on 16 March, 2015)	170,000	13-Feb-15	12-Feb-21	-	160.00	43.08
	200,000	16-Mar-15	15-Mar-20	30-Apr-16	160.00	16.93

All options vested on their date of grant and expiry within twelve months of their issue, or one month after the resignation of the executive or senior employee, whichever is earlier.

##### b) Fair value of share options granted in the year

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant. The Company has granted 3,926,195 options upto 31 March, 2017.

## NOTES TO THE FINANCIAL STATEMENTS

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

	850,000 Options (Vesting Period -4 Years)			
	1st Year	2nd Year	3rd Year	4th Year
Grant date share price	111.50	111.50	111.50	111.50
Exercise price	160.00	160.00	160.00	160.00
Expected volatility (in %)	48.00%	48.00%	48.00%	48.00%
Option life (in years)	1.50	2.50	3.50	4.50
Dividend yield (in %)	Nil	Nil	Nil	Nil
Risk-free interest rate (in %)	7.93%	7.88%	7.85%	7.81%

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

### c) Movement in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year :

Particulars	2016-2017		2015-2016		2014-2015	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		(in Rs.)		(in Rs.)		(in Rs.)
Balance at the beginning of the year	1,680,000	160.00	1,680,000	160.00	450,000	30.00
Granted during the year	-	-	-	-	1,680,000	160.00
Forfeited during the year	-	-	-	-	450,000	30.00
Exercised during the year	-	-	-	-	-	-
Expired during the year	830,000	160.00	-	-	-	-
<b>Balance at the end of the year</b>	<b>850,000</b>	<b>160.00</b>	<b>1,680,000</b>	<b>160.00</b>	<b>1,680,000</b>	<b>160.00</b>

### d) Share options outstanding at the end of the year

The share options outstanding at the end of the year had remaining contractual life of 1.26 years (as at 31 March, 2016 is 2.21 years; as at 1 April, 2015 is 3.19 years).

## B. Employee Stock Option Plan 2014 ("ESOP 2014")

### a) Details of the employee share option plan of the company

The weighted average fair value of the share options granted under ESOP 2014 during the financial year is Rs. 57.03 (during the year ended 31 March, 2016: Rs. 30.61). Options were priced using Black Scholes model.

The shareholders of the Company vide shareholders approval through postal ballot dated 5 January, 2015 had approved purchase upto 2.5% of paid-up equity share capital of the Company from the secondary market under the DEN ESOP Plan A- 2014. Further, the shareholders of the Company vide shareholders approval through postal ballot dated 23 June, 2015, terminated the DEN ESOP Plan A- 2014 and allocated the same option under DEN ESOP Plan B -2014. After approval, the total number of equity shares under the DEN ESOP Plan B-2014 has increased to 8,909,990.

During the year, the Nomination and Remuneration / Compensation Committee of the Company, had granted 1,750,000 options under this Scheme to eligible employees. Total outstanding options under DEN ESOP Plan-B 2014 are 2,950,000. The vesting period of 1,750,000 options is 2 years and for the rest of the options it is 4 years.

The Company has a share option scheme for executives and senior employees of the Company and its subsidiaries. In accordance with the term of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees with more than five years service with the Company may be granted options for purchase equity shares.

Each employee share option converts into one equity share of the company on exercise. No amounts are paid or payable by the receipt of the option. The options carry neither rights to dividend nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

## NOTES TO THE FINANCIAL STATEMENTS

The following share based arrangements were in existence during the current and prior years :

	Options Series	Number	Grant date	Expiry date	Forfeiture date	Exercise Price	Fair value at grant date
1	DEN ESOP Plan B-2014 (Granted on 16 January, 2015)	2,800,000	16-Jan-15	15-Jan-20	27-Jan-17	160.00	21.44
2	DEN ESOP Plan B-2014 (Granted on 2 February, 2015)	240,000	2-Feb-15	1-Feb-17	1-Feb-17	160.00	14.51
		200,000	2-Feb-15	1-Feb-18	24-Mar-17	160.00	24.34
		200,000	2-Feb-15	1-Feb-19	24-Mar-17	160.00	32.79
		160,000	2-Feb-15	1-Feb-20	24-Mar-17	160.00	40.15
3	DEN ESOP Plan B-2014 (Granted on 10 February, 2015)	240,000	10-Feb-15	9-Feb-18	-	160.00	15.35
		200,000	10-Feb-15	9-Feb-19	-	160.00	25.44
		200,000	10-Feb-15	9-Feb-20	-	160.00	34.04
		160,000	10-Feb-15	9-Feb-21	-	160.00	41.48
4	DEN ESOP Plan B-2014 (Granted on 13 February, 2015)	15,000	13-Feb-15	12-Feb-17	1-Apr-16	160.00	16.40
		12,500	13-Feb-15	12-Feb-18	1-Apr-16	160.00	26.76
		12,500	13-Feb-15	12-Feb-19	1-Apr-16	160.00	35.52
		10,000	13-Feb-15	12-Feb-20	1-Apr-16	160.00	43.08
5	DEN ESOP Plan B-2014 (Granted on 3 July, 2015)	100,000	3-Jul-15	3-Jul-20	10-Nov-16	160.00	14.63
		50,000	3-Jul-15	3-Jul-20	11-Apr-16	160.00	14.63
		120,000	3-Jul-15	2-Jul-18	-	160.00	7.32
		100,000	3-Jul-15	3-Jul-20	-	160.00	14.63
		100,000	3-Jul-15	2-Jul-20	-	160.00	21.41
		80,000	3-Jul-15	2-Jul-21	-	160.00	27.57
6	DEN ESOP Plan B-2014 (Granted on 19 July, 2016)	750,000	19-Jul-16	18-Jul-18	-	10.00	79.51
		750,000	19-Jul-16	18-Aug-19	-	10.00	79.56
		250,000	19-Jul-16	18-Aug-20	-	10.00	80.11

All options vested on their date of grant and expiry within twelve months of their issue, or one month after the resignation of the executive or senior employee, whichever is earlier.

### b) Fair value of share options granted in the year

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

The 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

	800,000 Options (Vesting Period -4 Years)				400,000 Options (Vesting Period -4 Years)			
	1st Year	2nd Year	3rd Year	4th Year	1st Year	2nd Year	3rd Year	4th Year
Grant date share price	109.60	109.60	109.60	109.60	108.40	108.40	108.40	108.40
Exercise price	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00
Expected volatility (in %)	47.65%	47.65%	47.65%	47.65%	47.65%	47.65%	47.65%	47.65%

## NOTES TO THE FINANCIAL STATEMENTS

	800,000 Options (Vesting Period -4 Years)				400,000 Options (Vesting Period -4 Years)			
	1st Year	2nd Year	3rd Year	4th Year	1st Year	2nd Year	3rd Year	4th Year
Option life (in years)	1.50	2.50	3.50	4.50	1.50	2.50	3.50	4.50
Dividend yield (in %)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate (in %)	7.85%	7.83%	7.80%	7.78%	7.79%	7.78%	7.77%	7.76%

	1,750,000 Options (Vesting Period- 2 Years)		
	1st Year	2nd Year	3rd Year
Grant date share price	88.6	88.6	88.6
Exercise price	10	10	10
Expected volatility (in %)	49.93%	49.93%	49.93%
Option life (in years)	1.50	1.59	2.50
Dividend yield (in %)	Nil	Nil	Nil
Risk-free interest rate (in %)	6.37%	6.37%	6.53%

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

### c) Movement in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year :

	2016-2017		2015-2016		2014-2015	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at the beginning of the year	5,000,000	160.00	4,450,000	160.00	-	-
Granted during the year	1,750,000	10.00	550,000	160.00	4,450,000	160.00
Vested during the year	300,000	-	1,335,000	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	3,800,000	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>2,950,000</b>	<b>31.04</b>	<b>5,000,000</b>	<b>160.00</b>	<b>4,450,000</b>	<b>160.00</b>

### d) Share options outstanding at the end of the year

The share options outstanding at the end of the year had remaining contractual life of 1.39 years (as at 31 March, 2016 is 1.76 years; as at 1 April, 2015 is 2.19 years).

## 40. Financial Instruments

### a) Capital Management

The Company's management reviews the capital structure of the Company on periodical basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company has a target gearing ratio of 18% - 25% determined as the proportion of net debt to total equity. The gearing ratio at 31 March, 2017 of 19.73% (see below) was within the target range.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 18, 20 and 22 and offset by cash and bank balances and current investments in notes 14, 15 and 12) and total equity of the Company.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans.

The funding requirements are met through a mixture of equity, internal fund generation, non-current and current borrowings. The Company's policy is to use non-current and current borrowings to meet anticipated funding requirements.

## NOTES TO THE FINANCIAL STATEMENTS

### Gearing ratio

The gearing ratio at end of the reporting period was as follows

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Debt			
Borrowings- current (See Note 20)	1,146.32	2,764.22	3,715.30
Borrowings- non current(See Note 18)	1,873.19	3,173.82	3,357.86
Current maturities of long term debt (See Note 22)	1,928.74	2,407.92	2,195.22
Cash and cash equivalents (See Note 14)	452.95	1,303.52	751.27
Current investments (See Note 12)	266.79	357.28	1,337.72
<b>Total</b>	<b>4,228.51</b>	<b>6,685.16</b>	<b>7,179.39</b>
Bank balances (See Note 15)	2,337.58	3,201.99	6,603.76
<b>Net debt</b>	<b>1,890.93</b>	<b>3,483.17</b>	<b>575.63</b>
<b>Total equity</b>	<b>9583.71</b>	<b>10629.56</b>	<b>14144.87</b>
<b>Net debt to equity ratio</b>	<b>19.73%</b>	<b>32.77%</b>	<b>4.07%</b>

### b) Financial risk management objective and policies

#### Financial assets and liabilities:

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

#### As at 31 March, 2017

(Rs. in million)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Cash and cash equivalents	452.95	-	-	452.95
Bank balances other than cash and cash equivalents	2,337.58	-	-	2,337.58
Trade receivables	3,188.78	-	-	3,188.78
Current investments	-	-	266.79	266.79
Security deposits	63.87	-	-	63.87
Other financial assets	1,283.41	-	-	1,283.41
Investment in preference shares	-	-	217.62	217.62
	<b>7,326.59</b>	<b>-</b>	<b>484.41</b>	<b>7,811.00</b>

Investment in equity shares of subsidiaries, joint ventures, associates and others carried at cost less impairment

**5,170.26**

(Rs. in million)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Borrowings - non-current	1,873.19	-	-	1,873.19
Borrowings - current	1,146.32	-	-	1,146.32
Trade payables	3,922.19	-	-	3,922.19
Other financial liabilities - non-current	4.99	-	-	4.99
Other financial liabilities - current	2,711.41	-	-	2,711.41
	<b>9,658.10</b>	<b>-</b>	<b>-</b>	<b>9,658.10</b>

#### As at 31 March, 2016

(Rs. in million)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Cash and cash equivalents	1,303.52	-	-	1,303.52
Bank balances other than cash and cash equivalents	3,201.99	-	-	3,201.99
Trade receivables	3,347.50	-	-	3,347.50
Current investments	-	-	357.28	357.28



## NOTES TO THE FINANCIAL STATEMENTS

(Rs. in million)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Security deposits	63.06	-	-	63.06
Other financial assets	1,751.63	-	-	1,751.63
Investment in preference shares	-	-	212.91	212.91
	<b>9,667.70</b>	<b>-</b>	<b>570.19</b>	<b>10,237.89</b>

Investment in equity shares of subsidiaries, joint ventures and associates carried at cost less impairment **5,654.14**

(Rs. in million)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Borrowings - non-current	3,173.82	-	-	3,173.82
Borrowings - current	2,764.22	-	-	2,764.22
Trade payables	3,334.84	-	-	3,334.84
Other financial liabilities - non-current	2.69	-	-	2.69
Other financial liabilities - current	3,955.92	-	-	3,955.92
	<b>13,231.49</b>	<b>-</b>	<b>-</b>	<b>13,231.49</b>

### As at 1 April, 2015

(Rs. in million)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Cash and cash equivalents	751.27	-	-	751.27
Bank balances other than cash and cash equivalents	6,603.76	-	-	6,603.76
Trade receivables	3,009.51	-	-	3,009.51
Current investments	-	-	1,337.72	1,337.72
Security deposits	55.98	-	-	55.98
Other financial assets	2,601.81	-	-	2,601.81
Investment in preference shares	-	-	157.26	157.26
	<b>13,022.33</b>	<b>-</b>	<b>1,494.98</b>	<b>14,517.31</b>

Investment in equity shares of subsidiaries, joint ventures and associates carried at cost less impairment **5,582.57**

(Rs. in million)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL	Total carrying value
Borrowings - non-current	3,357.86	-	-	3,357.86
Borrowings - current	3,715.30	-	-	3,715.30
Trade payables	2,388.02	-	-	2,388.02
Other financial liabilities - non-current	3.09	-	-	3.09
Other financial liabilities - current	3,044.07	-	-	3,044.07
	<b>12,508.34</b>	<b>-</b>	<b>-</b>	<b>12,508.34</b>

### c) Risk management framework

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The objective of the Company's risk management framework is to manage the above risks and aims to :

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- provide management with reliable information on the Company's risk exposure

## NOTES TO THE FINANCIAL STATEMENTS

- improve financial returns

### (i) Market risk

Market risk is the risk that the fair value of financial instrument will fluctuate because of change in market price. Market risk comprises of three types of risks - interest risk - See - 40 c (iv), foreign currency - See - refer 40 c (iii), and other price risk - See - 40 c (v), such as equity price risk.

The Company's activities expose it primarily to interest rate risk, currency risk and other price risk such as equity price risk. The financial instruments affected by market risk includes : Fixed deposits, current investments, borrowings and other current financial liabilities.

### (ii) Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term investment needs.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

(Rs. in million)

	As at 31 March, 2017				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non current</b>					
Borrowings*	-	1,944.43	392.10	-	2,336.53
Other financial liabilities	-	4.99	-	-	4.99
<b>Current</b>					
Borrowings	1,146.32	-	-	-	1,146.32
Current maturities of long term debt*	2,286.63	-	-	-	2,286.63
Interest accrued	24.19	-	-	-	24.19
Trade payables	3,922.19	-	-	-	3,922.19
Other financial liabilities	758.48	-	-	-	758.48
<b>Total</b>	<b>8,137.81</b>	<b>1,949.42</b>	<b>392.10</b>	<b>-</b>	<b>10,479.33</b>

(Rs. in million)

	As at 31 March, 2016				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non current</b>					
Borrowings*	-	3,621.44	373.61	-	3,995.05
Other financial liabilities	-	2.69	-	-	2.69
<b>Current</b>					
Borrowings	2,764.22	-	-	-	2,764.22
Current maturities of long term debt*	2,749.24	-	-	-	2,749.24
Interest accrued	49.53	-	-	-	49.53
Trade payables	3,334.84	-	-	-	3,334.84
Other financial liabilities	1,498.47	-	-	-	1,498.47
<b>Total</b>	<b>10,396.30</b>	<b>3,624.13</b>	<b>373.61</b>	<b>-</b>	<b>14,394.04</b>

(Rs. in million)

	As at 1 April, 2015				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non current</b>					
Borrowings*	-	4,520.41	-	-	4,520.41
Other financial liabilities	-	3.09	-	-	3.09
<b>Current</b>					
Borrowings	3,715.30	-	-	-	3,715.30
Current maturities of long term debt*	2,892.85	-	-	-	2,892.85
Interest accrued	55.01	-	-	-	55.01
Trade payables	2,388.02	-	-	-	2,388.02
Other financial liabilities	793.84	-	-	-	793.84

## NOTES TO THE FINANCIAL STATEMENTS

<b>Total</b>	<b>9,845.02</b>	<b>4,523.50</b>	-	-	<b>14,368.52</b>
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\*includes undiscounted interest.

As at 31 March, 2017, the Company had access to fund based facilities of Rs. 5,682.00 million, of which Rs. 661.41 million were yet not drawn, as set out below:

(Rs. in million)

	<b>Total Facility</b>	<b>Drawn</b>	<b>Undrawn</b>
	5,682.00	5,020.59	661.41
<b>Total</b>	<b>5,682.00</b>	<b>5,020.59</b>	<b>661.41</b>

As at 31 March, 2016, the Company had access to fund based facilities of Rs. 10,012.00 million, of which Rs. 1,628.00 million were yet not drawn, as set out below:

(Rs. in million)

	<b>Total Facility</b>	<b>Drawn</b>	<b>Undrawn</b>
	10,012.00	8,384.00	1,628.00
<b>Total</b>	<b>10,012.00</b>	<b>8,384.00</b>	<b>1,628.00</b>

As at 1 April, 2015, the Company had access to funding facilities of Rs. 9,714.00 million, of which Rs. 445.62 million were yet not drawn, as set out below:

(Rs. in million)

	<b>Total Facility</b>	<b>Drawn</b>	<b>Undrawn</b>
	(Rs. in million)	(Rs. in million)	(Rs. in million)
	9,714.00	9,268.38	445.62
<b>Total</b>	<b>9,714.00</b>	<b>9,268.38</b>	<b>445.62</b>

### (iii) Foreign currency risk

Foreign exchange risk comprises of risk that may arise to the Company because of fluctuations in foreign currency exchange rates. Fluctuations in foreign currency exchange rates may have an impact on the Statements of Profit and Loss. As at the year end, the Company was exposed to foreign exchange risk arising from foreign currency payables and buyer's credit denominated in foreign currency availed by the Company.

The carrying amounts of the Company foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	-	22.69	-	57.29	-	56.04
Equivalent INR	-	1,470.92	-	3,800.75	-	3,508.22

The results of Company's operations may be affected by fluctuations in the exchange rates between the Indian Rupee against the US dollar. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 1% against the functional currency of the Company.

For the year ended 31 March, 2017 and 31 March, 2016, every 100 basis points depreciation/ appreciation in the exchange rate between the Indian rupee and U.S. dollar will decrease/increase the Company's losses before tax by Rs. 14.71 million (31 March, 2016 : Rs. 38.01 million).

### (iv) Interest rate risk

The Company is exposed to interest rate risk on current and non-current borrowings and fixed deposits outstanding as at the year end. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees. The US dollar debt representing the buyers credit facility availed by the Company is composite of fixed and floating rates (linked to US dollar LIBOR). These exposures are reviewed by appropriate levels of management

## NOTES TO THE FINANCIAL STATEMENTS

on a monthly basis. The Company invests in fixed deposits to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

**The exposure of the Company's financial liabilities as at 31 March, 2017 to interest rate risk is as follows:**

(Rs. in million)

	Floating rate	Fixed rate	Non interest bearing	Total
<b>Non current</b>				
Borrowings	1,445.03	428.16	-	1,873.19
<b>Current</b>				
Borrowings	1,146.32	-	-	1,146.32
Current maturities of long term debt	812.71	1,116.03	-	1,928.74
	<b>3,404.06</b>	<b>1,544.19</b>	-	<b>4,948.25</b>
Fixed deposits	-	2,487.58	-	<b>2,487.58</b>
<u>Weighted average interest rate (per annum)</u>				
Buyer's credit (denominated in FC)	1.80% to 2.10%	NA		
Others	10.30% to 12.3%	8.55%		

**The exposure of the Company's financial liabilities as at 31 March, 2016 to interest rate risk is as follows:**

(Rs. in million)

	Floating rate	Fixed rate	Non interest bearing	Total
<b>Non current</b>				
Borrowings	1,629.62	1,544.20	-	3,173.82
<b>Current</b>				
Borrowings	2,764.22	-	-	2,764.22
Current maturities of long term debt	1,040.86	1,367.06	-	2,407.92
	<b>5,434.70</b>	<b>2,911.26</b>	-	<b>8,345.96</b>
Fixed deposits	-	3,480.73	-	<b>3,480.73</b>
<u>Weighted average interest rate (per annum)</u>				
Buyer's credit	1.4% to 1.6%	NA		
Others	10.3% to 12.5%	8.55%		

**The exposure of the Company's financial liabilities as at 1 April, 2015 to interest rate risk is as follows:**

(Rs. in million)

	Floating rate	Fixed rate	Non interest bearing	Total
<b>Non current</b>				
Borrowings	1,104.72	2,253.14	-	3,357.86
<b>Current</b>				
Borrowings	3,715.30	-	-	3,715.30
Current maturities of long term debt	760.25	1,434.97	-	2,195.22
	<b>5,580.27</b>	<b>3,688.11</b>	-	<b>9,268.38</b>
Fixed deposits	-	6,603.76	-	<b>6,603.76</b>
<u>Weighted average interest rate (per annum)</u>				
Buyer's credit	1.4% to 1.6%	NA		
Others	10.3% to 12.5%	8.55%		

### Interest rate sensitivity analysis on borrowings:

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's losses before tax for the year ended March 31, 2017 would decrease/increase by Rs. 6.01 million (year ended 31 March, 2016 : Rs. 6.98 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

### Interest rate sensitivity analysis on fixed deposits:

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's losses before

## NOTES TO THE FINANCIAL STATEMENTS

tax for the year ended 31 March, 2017 would decrease/increase by Rs. 2.39 million (year ended 31 March, 2016 : Rs. 4.39 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

### (v) Other price risk

The Company is exposed to price risks arising from fair valuation of Company's investment in mutual funds and preference shares. These investments are held for short term purposes. The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting year.

If prices had been 100 basis points higher/lower, loss before tax for the year ended 31 March, 2017 would increase/decrease by Rs. 2.67 million (for the year ended 31 March, 2016: Rs. 2.43 million) as a result of the changes in fair value of these investments which have been designated as at FVTPL.

### (vi) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, balances with banks and security deposits. The credit risk on bank balances is limited because the counterparties are banks with good credit ratings. Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company's policies on assessing expected credit losses is detailed in notes to accounting policies (See note 2.12). For details of exposure, default grading and expected credit loss as on the reporting year (See note 13).

41. During the year, post receipt of approval from the Central Government, the managerial remuneration of Rs. 7.25 million paid during the year ended 31 March, 2016, in excess of the limits prescribed under Section 197 read with Schedule V and applicable rules of the Companies Act, 2013, was adjusted with the remuneration to be paid/provided for the year ended 31 March 2017.
42. During the financial year 2013-14, the Company had raised funds of Rs. 9,608.22 million by way of Qualified Institutional Placement (QIP) and Preferential Issue of Equity Shares. Further, during the current financial year, the Company has also raised Rs. 1,424.34 million by way of Preferential Issue of Equity Shares (See note 44 for details of Preferential Issue).

(Rs. in million)

Particulars	Amount
a. 12,466,321 equity shares by way of Qualified Institutional Placement (QIP) under chapter VIII of SEBI (ICDR) Regulation, 2009	2,711.43
b. 31,709,384 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009	6,896.79
c. 15,826,039 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009	1,424.34
<b>Total</b>	<b>11,032.56</b>

The utilisation details of the above proceeds are as follows:

(Rs. in million)

Particulars	Amount
a. Issue expenses incurred	296.68
b. Utilisation for implementation of digital addressable system (DAS), broadband and other infrastructure and services	10,608.64
c. Balance amount invested in fixed deposits*	127.24
<b>Total</b>	<b>11,032.56</b>

\* Includes Rs. 127.24 million under lien as margin money with banks/ financial institution against letters of credit/ bank guarantees/ term loans.

43. The Company has investments of Rs. 5,387.88 million (net of provision for impairment of Rs. 736.43 million) in subsidiary companies and associate companies as on 31 March, 2017. Of these, networth of investments with carrying value of Rs. 763.30 million (net of provision for impairment of Rs. 593.30 million) and balances of loans/advances of Rs. 21.90 million as at 31 March, 2017 has fully/substantially eroded. Of these, investments aggregating to Rs. 103.70 million in companies whose net worth is fully/substantially eroded have earned profits for the year ended 31 March, 2017. Based on the valuations as per discounted cash flow method, the management of the Company expects that these companies will have positive cash flows to adequately sustain its operations in the foreseeable future and therefore no further provision for impairment is considered necessary.
44. During the year ended 31 March, 2017, the Securities Issue Committee of the Board of Directors at its meeting held on 27 October, 2016 has issued and allotted 15,826,039 equity shares of Rs. 10 each at a premium of Rs. 80 per share to the affiliates of Goldman Sachs Group, Inc. who form part of the persons belonging to Non Promoter category. With the aforesaid allotment, the holding of affiliates of the Goldman Sachs Group, Inc. has increased from 17.79% to 24.49%. The Company has received total allotment consideration of Rs. 1,424.34 million. The above issue was approved by shareholders in their Extraordinary general meeting dated 14 October, 2016.

45. Exceptional items comprises the following:

## NOTES TO THE FINANCIAL STATEMENTS

- a. During the year ended 31 March, 2017, the Company has made a provision for impairment of Rs. 248.42 million on investment in DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) ('Delhi Sports') on account of fair market value of equity shares of Delhi Sports. Further, during the year ended 31 March, 2017, the Company has decreased its investment stake in Delhi Sports by way of sale of 21,052,789 equity shares for a sale consideration of Rs. 80 million and booked a loss on sale of investment of Rs. 130.53 million. The total provision for impairment of Rs. 248.42 million and loss on sale of investment of Rs. 130.53 million for the year ended 31 March, 2017 has been disclosed as an exceptional item in the Ind AS financial statements.
- b. During the year ended 31 March, 2017, the Company had made a provision for impairment of Rs. 210.00 million on investment in Macro Commerce Private Limited ('MCPL'), erstwhile joint venture, on account of fair value of equity shares of MCPL and the same has been disclosed as an exceptional item in the Ind AS financial statements.
- c. During the year ended 31 March, 2017, the Company has incurred expenses of Rs. 56.63 million on account of separation pay paid to some employees as part of the organisational restructuring of the Company. The same has been disclosed as an exceptional item in the Ind AS financial statements.
- d. Allowance for doubtful debts of Digital Addressable System customers of Rs. 637.43 million. Pursuant to TRAI notification, Digital Addressable System (DAS) was implemented in a phased manner in select cities / towns in FY 2012-13 and FY 2013-14. The Company had not been able to finalise the agreements with distributors/ Local Cable operators for DAS areas and hence revenues were accounted for on a best estimate basis. Based on current market trends of DAS rates and discussions/ negotiations with trade partners, the Company had made an assessment of its trade receivables of debtors pertaining to DAS areas and had accordingly made an allowance of doubtful debts of Rs. 637.43 million during the year ended 31 March, 2016.
- e. Provision for impairment of investments in subsidiaries for the year ended 31 March, 2016: Rs. 234.37 million.
- f. During the year ended 31 March, 2016, the Company had sold its entire 50% stake in Star Den Media Services Private Limited ('Star Den') for a sales consideration of Rs. 403.50 million which had resulted in a net profit of Rs. 378.50 million and the same was disclosed as an exceptional item in the Ind AS financial statements.
- g. During the year ended 31 March, 2016, profit on disposal of investments in joint venture has been netted off from the charge on account of provision for doubtful trade receivables and provision for other than temporary diminution in value of investments to arrive at a net exceptional item charge of Rs. 493.30 million.

### 46. Additional information required to be given pursuant to Part II of Schedule III of the Companies Act, 2013

#### I. At the year end, unhedged foreign currency exposures are as follows:

(in million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Rs.	In USD	Rs.	In USD	Rs.	In USD
Payables on purchase of property, plant and equipment	497.80	7.68	974.67	14.69	285.78	4.56
Buyer's credit on imports	973.12	15.01	2,826.08	42.60	3,222.44	51.48

#### II. Expenditure in foreign currency

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Repairs and maintenance - Others	12.93	30.89
Travelling and conveyance	0.41	1.06
Legal and professional charges	11.43	11.56
License fees	14.48	-
	<b>39.25</b>	<b>43.51</b>

#### III. Value of imports (calculated on a CIF basis)

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
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## NOTES TO THE FINANCIAL STATEMENTS

Capital goods	1,175.35	3,134.66
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### 47. Expenditure on Corporate Social Responsibility (CSR)

a. Gross amount required to be spent by the Company during the period ended 31 March, 2017 is Rs. Nil (Previous year Rs. Nil)

b. Amount spent during the period ended 31 March, 2017

(Rs. in million)

Particulars	Paid (A)	Yet to be paid (B)	Total (A+B)
(i) Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	0.15	-	0.15
	(0.50)	-	(0.50)

Figures in bracket relates to previous year.

c. Details of related party transactions:

- Contribution during the period ended 31 March, 2017 is Rs. Nil (Previous year Rs. Nil)
- Payable as at 31 March, 2017 is Rs. Nil (Previous year Rs. Nil)

48. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

### 49. Fair value measurement

i). Financial assets and financial liabilities that are not measured at fair value are as under:

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>						
Cash and cash equivalents	452.95	452.95	1,303.52	1,303.52	751.27	751.27
Other bank balances	2,337.58	2,337.58	3,201.99	3,201.99	6,603.76	6,603.76
Trade receivables	3,188.78	3,188.78	3,347.50	3,347.50	3,009.51	3,009.51
Security deposits	63.87	63.87	63.06	63.06	55.98	55.98
Other financial assets	1,283.41	1,283.41	1,751.63	1,751.63	2,601.81	2,601.81
<b>Financial liabilities</b>						
Non-current borrowings	1,873.19	1,873.19	3,173.82	3,173.82	3,357.86	3,357.86
Current borrowings	1,146.32	1,146.32	2,764.22	2,764.22	3,715.30	3,715.30
Trade payables	3,922.19	3,922.19	3,334.84	3,334.84	2,388.02	2,388.02
Other financial liabilities - non-current	4.99	4.99	2.69	2.69	3.09	3.09
Other financial liabilities - current	2,711.41	2,711.41	3,955.92	3,955.92	3,044.07	3,044.07

#### Note :

The carrying value of the above financial assets and financial liabilities carried at amortised cost approximate these fair value.

ii) Fair value hierarchy of assets measured at fair value as at 31 March, 2017; 31 March, 2016 and 1 April, 2015 is as follows:

(Rs. in million)

Particulars	As at 31.03.2017	Fair value measurement at end of the reporting period/year using			Valuation techniques
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Investment in mutual funds	266.79	-	266.79	-	- Based on the NAV report issued by the fund manager

## NOTES TO THE FINANCIAL STATEMENTS

Investment in preference shares	217.62	-	-	217.62	Discounted cashflow at a discounted rate that reflects the issuer's current borrowing rate at the end of the reporting year.
<b>Total financial assets</b>	<b>484.41</b>		<b>266.79</b>	<b>217.62</b>	

(Rs. in million)

Particulars	As at 31.03.2016	Fair value measurement at end of the reporting period/ year using			Valuation techniques
		Level 1	Level 2	Level 3	
Investment in mutual funds	357.28	-	357.28	-	Based on the NAV report issued by the fund manager
Investment in preference shares	212.91	-	-	212.91	Discounted cashflow at a discounted rate that reflects the issuer's current borrowing rate at the end of the reporting year.
<b>Total financial assets</b>	<b>570.19</b>		<b>357.28</b>	<b>212.91</b>	
<b>Financial assets</b>					

(Rs. in million)

Particulars	As at 01.04.2015	Fair value measurement at end of the reporting period/ year using			Valuation techniques
		Level 1	Level 2	Level 3	
Investment in mutual funds	1,337.72	-	1,337.72	-	Based on the NAV report issued by the fund manager
Investment in preference shares	157.26	-	-	157.26	Discounted cashflow at a discounted rate that reflects the issuer's current borrowing rate at the end of the reporting year.
<b>Total financial assets</b>	<b>1,494.98</b>		<b>1,337.72</b>	<b>157.26</b>	

### 50. First-time Ind AS adoption reconciliations

#### a) Effect of Ind AS adoption on the balance sheet as at 31 March, 2016 and 1 April, 2015

(Rs. in million)

Particulars	Notes	"As at 31 March, 2016 (End of last period presented under previous GAAP)"			"As at 1 April, 2015 (Date of transition)"		
		Previous GAAP*	Effect of Transition to Ind AS	Ind AS	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
<b>A. ASSETS</b>							
<b>1. Non-current assets</b>							
(a) Property, plant and equipment		8,787.27	-	8,787.27	6,695.76	-	6,695.76
(b) Capital work-in-progress		1,150.86	-	1,150.86	931.94	-	931.94
(c) Other intangible assets		84.39	-	84.39	51.17	-	51.17
(d) Financial Assets							-
(i) Investments							-
(a) in subsidiaries	(a), (h)	5,344.29	(484.58)	4,859.71	5,664.83	(502.89)	5,161.94
(b) in associates	(h)	354.45	502.89	857.34	-	502.89	502.89
(c) in joint ventures		150.00	-	150.00	75.00	-	75.00
(ii) Finance lease receivables		22.86	-	22.86	227.78	-	227.78
(iii) Others financial assets	(c)	41.17	(5.06)	36.11	68.90	(6.82)	62.08
(e) Non current tax assets		1,116.59	-	1,116.59	914.60	-	914.60
(f) Deferred tax assets (net) (See note 31)		209.22	-	209.22	221.23	-	221.23
(g) Other non-current assets	(c)	280.36	(8.94)	271.42	271.10	(16.83)	254.27
<b>Total non-current assets</b>		<b>17,541.46</b>	<b>4.31</b>	<b>17,545.77</b>	<b>15,122.31</b>	<b>(23.65)</b>	<b>15,098.66</b>



## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Notes	"As at 31 March, 2016 (End of last period presented under previous GAAP)"			"As at 1 April, 2015 (Date of transition)"		
		Previous GAAP*	Effect of Transition to Ind AS	Ind AS	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
<b>2. Current assets</b>							
(a) Financial assets							
(i) Investments	(b)	350.00	7.28	357.28	1,231.42	106.30	1,337.72
(ii) Trade receivables	(g)	3,712.05	(364.55)	3,347.50	3,278.44	(268.93)	3,009.51
(iii) Cash and cash equivalents		1,303.52	-	1,303.52	751.27	-	751.27
(iv) Bank balances other than cash and cash equivalents		3,201.99	-	3,201.99	6,603.76	-	6,603.76
(v) Loans		623.20	-	623.20	650.51	-	650.51
(vi) Finance lease receivables		393.09	-	393.09	443.30	-	443.30
(vii) Other financial assets		739.43	-	739.43	1,274.12	-	1,274.12
(b) Other current assets	(c)	646.10	(24.94)	621.16	312.66	(8.15)	304.51
<b>Total current assets</b>		<b>10,969.38</b>	<b>(382.21)</b>	<b>10,587.17</b>	<b>14,545.48</b>	<b>(170.78)</b>	<b>14,374.70</b>
<b>TOTAL Assets</b>		<b>28,510.84</b>	<b>(377.90)</b>	<b>28,132.94</b>	<b>29,667.79</b>	<b>(194.43)</b>	<b>29,473.36</b>
<b>B. EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity share capital		1,777.42	-	1,777.42	1,777.42	-	1,777.42
(b) Other equity		12,659.96	(3,807.82)	8,852.14	14,709.37	(2,341.92)	12,367.45
<b>Total equity</b>		<b>14,437.38</b>	<b>(3,807.82)</b>	<b>10,629.56</b>	<b>16,486.79</b>	<b>(2,341.92)</b>	<b>14,144.87</b>
<b>1. Non-current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings	(c)	3,182.76	(8.94)	3,173.82	3,374.69	(16.83)	3,357.86
(ii) Other financial liabilities		2.69	-	2.69	3.09	-	3.09
(b) Provisions		52.96	-	52.96	41.89	-	41.89
(c) Other non-current liabilities	(d)	-	2,868.00	2,868.00	-	1,802.47	1,802.47
<b>Total non-current liabilities</b>		<b>3,238.41</b>	<b>2,859.06</b>	<b>6,097.47</b>	<b>3,419.67</b>	<b>1,785.64</b>	<b>5,205.31</b>
<b>2. Current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings		2,764.22	-	2,764.22	3,715.30	-	3,715.30
(ii) Trade payables		3,334.84	-	3,334.84	2,388.02	-	2,388.02
(iii) Other financial liabilities	(c)	3,980.86	(24.94)	3,955.92	3,052.22	(8.15)	3,044.07
(b) Provisions		45.10	-	45.10	32.06	-	32.06
(c) Other current liabilities	(d)	710.03	595.80	1,305.83	573.73	370.00	943.73
<b>Total current liabilities</b>		<b>10,835.05</b>	<b>570.86</b>	<b>11,405.91</b>	<b>9,761.33</b>	<b>361.85</b>	<b>10,123.18</b>
<b>Total liabilities</b>		<b>28,510.84</b>	<b>(377.90)</b>	<b>28,132.94</b>	<b>29,667.79</b>	<b>(194.43)</b>	<b>29,473.36</b>

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

### b) Reconciliation of total equity as at 31 March, 2016 and 1 April, 2015

(Rs. in million)

Particulars	Notes	As at 01.04.2015	As at 31.03.2016
Total equity (shareholders' funds) as reported under previous GAAP		16,486.79	14,437.38
Effect of activation revenue being deferred and amortised over customer relationship period	(d)	(2,172.47)	(3,463.80)
Effect of measuring financial instruments at fair value / amortised cost	(a,b,c)	99.48	20.53
Effect of expected credit loss	(g)	(268.93)	(364.55)
<b>Total adjustments to equity</b>		<b>(2,341.92)</b>	<b>(3,807.82)</b>
<b>Equity as reported under Ind AS</b>		<b>14,144.87</b>	<b>10,629.56</b>

## NOTES TO THE FINANCIAL STATEMENTS

### c) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31 March, 2016

(Rs. in million)

Particulars	Notes	Year ended 31.03.2016		
		Previous GAAP*	Effect of Transition to Ind AS	Ind AS
<b>1. Revenue</b>				
(a) Revenue from operations	(d)	10,027.76	(1,291.33)	8,736.43
(b) Other income	(a,b,c)	843.19	(78.55)	764.64
<b>2. Total revenue</b>		<b>10,870.95</b>	<b>(1,369.88)</b>	<b>9,501.07</b>
<b>3. Expenses</b>				
(a) Content cost		3,604.24	-	3,604.24
(b) Placement fees		2,321.21	-	2,321.21
(c) Employee benefits expense	(e, f)	858.73	51.67	910.40
(d) Finance costs	(c)	762.61	0.39	763.00
(e) Depreciation and amortisation expense		1,479.49	-	1,479.49
(f) Other expenses	(g)	3,392.86	95.63	3,488.49
<b>4. Total expenses</b>		<b>12,419.14</b>	<b>147.69</b>	<b>12,566.83</b>
<b>5. Profit/(Loss) before exceptional items and tax expense (2-4)</b>		(1,548.19)	(1,517.57)	(3,065.76)
<b>6. Exceptional items</b>		493.30	-	493.30
<b>7. Profit/(Loss) before tax (5-6)</b>		<b>(2,041.49)</b>	<b>(1,517.57)</b>	<b>(3,559.06)</b>
<b>8. Tax expense</b>				
(a) Current tax		-	(4.09)	(4.09)
(b) Deferred tax		7.92	4.09	12.01
		<b>7.92</b>	<b>-</b>	<b>7.92</b>
<b>9. Profit/(Loss) after tax (7-8)</b>		<b>(2,049.41)</b>	<b>(1,517.57)</b>	<b>(3,566.98)</b>
<b>10. Other comprehensive income</b>	(i)			
(i) Items that will not be reclassified to Profit and Loss		-	-	-
(ii) Income tax relating to items that will not be reclassified to Profit and Loss - Defined benefit obligation	(f)	-	(0.88)	(0.88)
<b>11. Total other comprehensive income</b>		<b>-</b>	<b>(0.88)</b>	<b>(0.88)</b>
<b>12. Total comprehensive income/(loss) for the year (9+11)</b>		<b>(2,049.41)</b>	<b>(1,518.45)</b>	<b>(3,567.86)</b>

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

### d) Reconciliation of total comprehensive income for the year ended 31 March, 2016

Particulars	Notes	Year ended 31.03.2016 (Latest period presented under previous GAAP)
Net Profit/(Loss) after tax as reported under previous GAAP		(2,049.41)
<b>Adjustments:</b>		
Effect of activation revenue being deferred and amortised over customer relationship period	(d)	(1,291.33)
Effect of employee stock option plan measured at fair value	(e)	(52.55)
Effect of measuring financial instruments at fair value / amortised cost	(a,b,c)	(78.95)
Effect of expected credit loss	(g)	(95.62)
Effect of actuarial (gain) / loss on defined benefits plans	(f)	0.88
Effect of deferred tax adjustment on above items		-
<b>Total effect of transition to Ind AS</b>		<b>(3,566.98)</b>
Other comprehensive income for the year	(f)	(0.88)
<b>Total comprehensive income / (loss) under Ind AS</b>		<b>(3,567.86)</b>

## NOTES TO THE FINANCIAL STATEMENTS

### e) Effect of Ind AS adoption on the Statement of cash flows for the year ended 31 March, 2016

Particulars	Notes	As at 31.03.2016		
		Previous GAAP*	Effect of Transition to Ind AS	Ind AS
Net cash flows from operating activities	(c)	(460.66)	(2.16)	(462.82)
Net cash flows from investing activities	(c)	2,703.81	2.16	2,705.97
Net cash flows from financing activities		(1,690.90)	-	(1,690.90)
Net increase/(decrease) in cash and cash equivalents		552.25	-	552.25
Cash and cash equivalents at the beginning of the year		751.27	-	751.27
Cash and cash equivalents at the end of the year		1,303.52	-	1,303.52

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

#### Notes to the reconciliation items:

##### (a) Investments in preference shares of subsidiaries

Under previous GAAP, the entity accounted for investments in preference shares of subsidiaries at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the entity accounts for such investments as FVTPL investments. As required by Ind AS, these FVTPL investments have been measured at fair value with gains and losses recognised in Statement of Profit and Loss. At the date of transition to Ind AS, difference between the instruments fair value and previous GAAP carrying amount has been recognised as deemed equity investment and included within the respective equity investment in subsidiaries.

##### (b) Current investments in mutual funds

Under Ind AS, the entity accounts for such investments as FVTPL investments. As required by Ind AS, these FVTPL investments have been measured at fair value with gains and losses recognised in Statement of Profit and Loss. At the date of transition to Ind AS, difference between the instruments fair value and previous GAAP carrying amount has been adjusted in opening reserves.

##### (c) Borrowings and security deposits at amortised cost method

Under previous GAAP, Borrowings (liabilities) and security deposits (assets) were accounted for at their undiscounted nominal values. Under IndAS, these have been accounted for at amortised cost method by discounting the cash flows using effective interest rates. Accordingly, loan processing fees has been netted with borrowings to reflect the amortised cost using effective interest rate. Consequently, the changes in balances of security deposits and the effect of interest income under amortised cost method has resulted in changes in cashflows from operating and investing activities in the cash flow statement.

##### (d) Deferment of activation revenue

Under previous GAAP, the activation revenue on Set top boxes (STBs) was recognised fully in the year of activation. Under Ind AS, activation revenue on STBs is recognised over the period of customer relationship. Activation fees received in advance is accounted for as 'Deferred Revenue' and grouped under "Other current liabilities" and "Other non-current liabilities". Deferred revenue calculated as at the opening balance sheet date has been adjusted against opening reserves.

##### (e) Fair valuation of ESOP

Under previous GAAP, the cost of equity settled employee share-based payments was recognised using the intrinsic value method. Under Ind AS, the cost of equity-settled employee share-based payments are recognised based on grant date fair value of options. Accordingly, the incremental difference between fair value and intrinsic value of options has been accounted for as employee benefit expenses. The opening impact of this difference has been adjusted in the opening reserves.

##### (f) Gain/loss on re-measurement of net defined benefit liability

Under previous GAAP, there was no concept of other comprehensive income and actuarial gains and losses were accounted for in Statement of Profit and Loss. Under Ind As, actuarial gain or losses are accounted for as other comprehensive income.

##### (g) Trade receivables

Under previous GAAP, the entity determined provisions for impairment of trade receivables (provision for bad and doubtful debts) using incurred loss model. i.e. if they remained outstanding over the prescribed period. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL), which has resulted in additional provisions being accounted for profit and loss. The impact of additional provisions due to ECL as at the opening balance sheet date has been adjusted in opening retained earnings.

## NOTES TO THE FINANCIAL STATEMENTS

### (h) Subsidiaries

Under previous GAAP, the Company had accounted for 3 entities as subsidiaries. However, as per the control definition in Ind AS, these entities have been accounted for as associates under Ind AS."

- (i) Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income expense, gains, or losses are required to be presented in other comprehensive income.

### 51. Disclosures as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	As at	As at	As at
	31 March, 2017	31 March, 2016	1 April, 2015
(a) (i) the principal amount remaining unpaid to any supplier	-	-	-
(ii) interest due thereon	-	-	-
(b) interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day.	-	-	-
(c) interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(d) interest accrued and remaining unpaid	-	-	-
(e) further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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

53. The Board of Directors of the Company in its meeting held on 5 September, 2016 considered and approved a Scheme of Arrangement ("the Scheme") amongst DEN NETWORKS LIMITED ('Company') and SKYNET CABLE NETWORK PRIVATE LIMITED ('SKYNET'), a wholly owned subsidiary, in terms of provisions of sections 391 to 394 of the Companies Act, 1956. With effect from the Appointed date i.e. 1 April, 2016, the Internet Service Provider business ("Broadband") of the Company will be demerged into SKYNET. The Company has received No-objection/observation letter ('NOC') from the Stock Exchanges in terms of Regulation 37 of the SEBI (Listing obligations and Disclosure Requirements) Regulation 2015. Subsequent to said NOC, the Company has filed the scheme with the National Company Law Tribunal. The scheme has been approved by shareholders and unsecured creditors of the Company. Further, the scheme is subject to all other statutory approvals.

54. DEN FUTURISTIC CABLE NETWORK PRIVATE LIMITED ('Transferee'), a wholly owned subsidiary of the Company, has filed a composite Scheme of Arrangement ("the Scheme") with the National Company Law Tribunal (NCLT) in terms of the provisions of the Companies Act, 2013 for merger of 23 Subsidiaries and demerger of Cable Business of one subsidiary with the transferee company. The order of NCLT subsequent to this filing is awaited.

55. The financial statements were approved for issue by the Board of Directors on 22 May, 2017.

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

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

**Manish Dawar**  
Group Chief Financial Officer

New Delhi  
22 May, 2017

**Ajaya Chand**  
Director  
DIN: 02334456

**Jatin Mahajan**  
Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS

S. no.	Name of the subsidiaries*/ Joint Venture / Associates	Share Capital	Reserve and Surplus	Total Assets**	Total Liabilities	Turnover	Profit before taxation	Tax/ Provision for taxation	Profit after taxation	Proposed dividend/ Interim dividend	% of share-holding of the Company (Direct or through subsidiary co.)
1	Den Entertainment Network Private Limited	89,392,038	70,916,075	189,974,012	29,665,900	-	(4,404,777)	141,058	(4,263,719)	-	100%
2	Den Digital Entertainment Gujarat Private Limited	10,000,000	68,714,107	106,842,348	28,128,241	-	(5,451,169)	-	(5,451,169)	-	100%
3	Aster Entertainment Private Limited	5,900,000	134,417,751	141,496,836	1,179,085	-	1,754,014	(557,666)	1,196,348	-	100%
4	Shine Cable Network Private Limited	2,500,000	2,230,680	262,486,592	257,755,912	-	3,781,178	(147,250)	3,633,928	-	100%
5	DEN Krishna Cable TV Network Private Limited	958,550	47,009,495	66,534,510	18,566,466	59,216,296	(478,765)	7,047	(471,718)	-	74%
6	Den Mahendra Satellite Private Limited	555,000	207,242	7,035,132	6,272,890	3,669,574	713,240	(246,162)	467,078	-	60%
7	DEN Pawan Cable Network Private Limited	683,380	8,508,938	57,725,227	48,532,911	45,674,827	(13,058,700)	1,432,048	(11,626,652)	-	63%
8	DEN Harsh Mann Cable Network Private Limited	540,500	(4,932,390)	9,126,390	13,518,280	3,191,533	(3,658,388)	(127,650)	(3,786,038)	-	51%
9	Den Classic Cable TV Services Private Limited	582,100	(5,657,336)	6,452,506	11,527,743	5,144,796	(2,941,124)	41,009	(2,900,115)	-	51%
10	Den Montooshah Network Private Limited	512,090	3,606,459	5,241,865	1,123,316	5,318,818	185,951	(49,108)	136,843	-	100%
11	Den Bindra Network Private Limited	526,290	(491,900)	2,797,306	2,762,916	3,997,751	(374,887)	(97,194)	(472,082)	-	51%
12	Den Ashu Cable Private Limited	9,873,742	3,157,402	33,045,143	20,013,997	35,681,294	(3,623,445)	164,573	(3,458,872)	-	51%
13	Den Nanak Communication Private Limited	608,750	(4,924,680)	627,187	4,943,117	-	81,255	12	81,267	-	51%
14	Den Futuristic Cable Networks Private Limited	11,600,280	32,410,097	104,599,695	60,589,318	-	(1,664,771)	-	(1,664,771)	-	100%
15	Den Digital Cable Network Private Limited	591,000	26,855,921	71,679,712	44,232,791	65,397,678	3,249,332	266,563	3,515,895	-	88.57%
16	Den Saya Channel Network Private Limited	2,500,000	(1,663,029)	142,388,453	141,551,483	86,731,263	8,450,406	(3,113,643)	5,336,763	-	51%
17	Den Faction Communication System Private Limited	577,500	(25,811,915)	13,976,353	39,210,768	1,920,693	(362,670)	916	(361,754)	-	51%
18	Radiant Satellite (India) Private Limited	1,500,000	(43,797,878)	40,897,106	83,194,983	-	-	-	-	-	51%
19	Den Mewar Rajdev Cable Network Private Limited	39,955,550	(46,341,203)	24,712,965	31,098,618	3,951,207	(2,335,068)	(114,704)	(2,449,772)	-	99.51%
20	Den Radiant Satellite Cable Network Private Limited	540,600	2,982,395	4,070,869	547,874	1,178,854	(392,207)	(19,344)	(411,551)	-	65%
21	Den RIS Cable Network Private Limited	2,699,200	613,480	4,506,693	1,194,013	-	(27,197)	-	(27,197)	-	100%
22	Den Sky Media Network Private Limited	13,376,000	171,464,944	196,415,729	11,574,790	18,906,066	1,981,398	(2,099,452)	(118,054)	-	99.33%
23	Meerut Cable Network Private Limited	16,168,669	22,727,716	109,762,059	70,865,674	17,851,832	1,673,577	(874,988)	798,589	-	51%
24	DEN Crystal Vision Network Private Limited	571,500	(1,463,455)	2,865,048	3,757,003	2,213,047	(1,052,548)	(49,918)	(1,102,466)	-	51.01%
25	Den Mod Max Cable Network Private Limited	515,650	(1,111,890)	6,800,894	7,397,134	5,214,639	(1,524,768)	6,122	(1,518,646)	-	51%
26	DEN BCN Suncity Network Private Limited	536,700	1,269,893	11,694,143	9,887,550	7,373,976	(735,064)	(103,766)	(838,830)	-	51.02%
27	Den Pradeep Cable Network Private Limited	2,572,500	(6,289,348)	10,199,348	13,916,197	250,711	(999,426)	(173,186)	(1,172,612)	-	51%
28	Den Prince Network Private Limited	536,960	(7,606,671)	3,687,081	10,756,793	17,500	(812,090)	(200,437)	(1,012,527)	-	51%
29	Den Jai Ambey Vision Cable Private Limited	502,400	(2,723,208)	6,142,342	8,363,151	17,500	(544,967)	(76,201)	(621,168)	-	51%
30	DEN Varun Cable Network Private Limited	1,282,670	6,481,496	20,399,929	12,635,764	752,406	(2,568,274)	(306,037)	(2,874,311)	-	51%
31	DEN Aman Entertainment Private Limited	598,600	11,244,556	16,913,775	5,070,619	50,000	(2,055,159)	(96,264)	(2,151,423)	-	51%
32	Den Satellite Cable TV Network Private Limited	613,050	(19,195,365)	9,905,784	28,488,099	6,667	(124,193)	-	(124,193)	-	51%
33	Den F K Cable TV Network Private Limited	1,140,110	105,978,672	322,733,333	215,614,549	95,579,882	40,778,426	(20,043,991)	20,734,435	-	51%
34	Den Budaun Cable Network Private Limited	727,700	675,687	5,837,499	4,434,112	20,417	(1,918,251)	(24,701)	(1,942,952)	-	51%
35	DEN Ambey Cable Networks Private Limited	9,666,608	553,628,958	1,345,902,428	782,606,863	769,589,562	233,824,669	(92,722,588)	141,102,081	-	61%

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36	Den Ambey Citi Cable Network Private Limited	500,000	4,076,954	9,204,132	4,627,178	1,672,896	(1,000,969)	289,032	(711,937)	-	100%
37	Den Ambey Jhansi Cable Network Private Limited	600,000	7,429,841	12,912,697	4,882,856	350,155	(1,342,854)	(494,253)	(1,837,107)	-	100%
38	Den Ambey Farukabad Cable Network Private Limited	500,000	5,643,174	15,810,934	9,667,761	1,296,970	(2,513,026)	(589,031)	(3,102,057)	-	100%
39	Den Kashi Cable Network Private Limited	28,461,114	(14,752,965)	53,211,974	39,503,826	5,984,990	(5,010,862)	196,164	(4,814,698)	-	51%
40	Den Enjoy Cable Networks Private Limited	17,450,020	510,196,715	1,154,356,547	626,709,812	564,371,546	215,312,157	(78,702,195)	136,609,962	-	51%
41	DEN Prayag Cable Networks Private Limited	500,000	44,761,032	107,945,887	62,684,855	71,846,382	21,134,778	(8,252,940)	12,881,838	-	75%
42	Den Deva Cable Network Private Limited	500,000	17,103	2,213,547	1,696,444	3,866,442	450,223	(35,165)	415,058	-	51%
43	Den Maa Sharda Vision Cable Networks Private Limited	758,330	19,063,070	40,565,289	20,743,889	36,264,843	5,736,841	(2,022,593)	3,714,248	-	51%
44	Den Fateh Marketing Private Limited	500,000	(28,218,519)	40,897,165	68,615,684	3,736,735	(2,318,620)	(63,188)	(2,381,808)	-	51%
45	Den Enjoy Navaratan Network Private Limited	608,200	54,226,320	205,344,305	150,509,785	98,342,325	52,813,321	(18,081,418)	34,731,903	-	51%
46	Den Shiva Cable Network Private Limited	1,924,640	(5,485,304)	3,210,161	6,770,825	6,667	(374,693)	(12,595)	(387,288)	-	87.27%
47	Den Narmada Network Private Limited	14,938,070	8,854,671	30,233,440	6,440,699	-	(309,574)	-	(309,574)	-	97.11%
48	Shree Siddhivinayak Cable Network Private Limited	500,000	(19,957,140)	7,855,605	27,312,745	5,123,530	(1,423,616)	8	(1,423,608)	-	51%
49	Mahadev Den Network Private Limited	22,290,000	(24,097,253)	21,543,917	23,351,170	320,148	(168,619)	-	(168,619)	-	94.72%
50	Den Patel Entertainment Network Private Limited	900,000	(3,167,247)	6,057,926	8,325,173	19,734,891	(533,981)	-	(533,981)	-	51%
51	Mahadev Den Cable Network Private Limited	900,000	(19,762,463)	3,800,552	22,663,015	322,968	(57,016)	-	(57,016)	-	51%
52	Den MCN Cable Network Private Limited	1,099,200	(39,236,282)	9,507,404	47,644,486	2,215,505	(59,077)	-	(59,077)	-	51%
53	Drashti Cable Network Private Limited	535,700	(14,681,453)	5,608,075	19,753,827	3,995,344	6,103,388	-	6,103,388	-	51%
54	Den-Manoranjan Satellite Private Limited	700,000	67,708,660	362,055,307	293,646,647	218,708,852	22,178,043	(8,186,374)	13,991,669	-	51%
55	Den Nashik City Cable Network Private Limited	500,000	18,122,056	68,480,487	49,858,431	25,384,084	(6,441,261)	1,221,528	(5,219,733)	-	51%
56	Den Supreme Satellite Vision Private Limited	597,090	15,421,911	38,743,991	22,724,990	14,640,776	240,347	(263,266)	(22,919)	-	51%
57	Den Bellary City Cable Private Limited	715,480	(7,591,114)	18,792,509	25,668,144	12,641,858	(6,788,395)	(186,145)	(6,974,540)	-	100%
58	Den Malayalam Telenet Private Limited	11,926,810	(17,314,250)	22,448,225	27,835,666	8,410,048	(5,729,794)	32,920	(5,696,874)	-	51%
59	Den Malabar Cable Vision Private Limited	600,630	(7,004,801)	5,124,170	11,528,342	69,023	(3,421,968)	676,061	(2,745,907)	-	51%
60	Den Elgee Cable Vision Private Limited	1,122,580	4,008,171	13,616,773	8,486,023	12,430,362	(527,847)	576,887	49,040	-	51%
61	Den Rajkot City Communication Private Limited	113,060	20,819,725	270,686,633	249,753,848	191,969,313	49,698,921	(27,882,176)	21,816,745	-	51%
62	Den Infoking Channel Entertainers Private Limited	2,572,700	4,552,071	10,459,608	3,334,837	2,814,597	(2,099,887)	(91,933)	(2,191,820)	-	97%
63	Den Ucn Network India Private Limited	621,000	(3,132,488)	8,042,804	10,554,292	7,143,440	(1,777,511)	(169,014)	(1,946,525)	-	100%
64	Fortune (Baroda) Network Private Limited	1,000,000	(4,390,986)	13,346,766	16,737,752	19,347,342	1,782,446	-	1,782,446	-	51%
65	Galaxy Den Media & Entertainment Private Limited	500,000	4,625,577	41,976,072	36,850,496	-	-	-	-	-	51%
66	Bali Den Cable Network Private Limited	534,900	3,215,118	13,907,890	10,157,872	8,422,323	(2,152,469)	(282,023)	(2,434,492)	-	51%
67	Mahavir Den Entertainment Private Limited	4,147,799	41,186,055	179,646,654	134,312,799	125,006,056	32,928,941	(11,597,020)	21,331,921	-	51%
68	Den Citi Channel Private Limited	6,946,296	(10,014,047)	11,213,859	14,281,611	7,188,537	(1,267,804)	(104,271)	(1,372,075)	-	51%

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69	Amogh Broad Band Services Private Limited	170,931,223	9,207,047	234,080,683	53,942,413	(17,746,650)	(54,856,373)	5,585,777	(49,270,596)	-	100%
70	Star Channel Den Network Private Limited	698,000	1,893,995	3,039,021	447,026	53,966	(153,365)	(133,556)	(286,921)	-	51%
71	Kishna DEN Cable Network Private Limited	573,070	(5,644,908)	2,462,601	7,534,439	17,917	(1,902,182)	(9,750)	(1,911,932)	-	51%
72	Fab Den Network Private Limited	2,135,810	14,763,947	34,790,558	17,890,801	37,670,241	(646,895)	401,914	(244,981)	-	51%
73	Den Satellite Network Private Limited	1,005,900	698,303,726	2,246,382,168	1,547,072,542	1,002,464,776	19,220,477	(8,468,756)	10,751,721	-	50%
74	United Cable Network (Digital) Private Limited	500,000	(1,198,080)	2,318,851	3,016,931	2,436,755	(9,094)	33,686	24,592	-	51%
75	Shree Ram Den Network Private Limited	-	-	-	-	-	-	-	-	-	51%
76	Den Krishna Vision Private Limited	500,000	(1,338,565)	850,821	1,689,386	148,821	225,218	-	225,218	-	51%
77	Cabi-Net Communications Private Limited	20,000,000	(31,567,366)	30,570,302	42,137,668	32,836,288	(4,390,807)	27,026	(4,363,781)	-	51%
78	Divya Drishti Den Network Private Limited	740,250	(587,927)	3,122,184	2,969,861	11,667	(879,189)	(17,229)	(896,418)	-	51%
79	Den Sahyog Cable Network Private Limited	500,000	(5,194,439)	20,285,104	24,979,543	10,962,371	(1,772,651)	1,211,069	(561,582)	-	51%
80	Den Sariga Communications Private Limited	676,890	(70,142)	4,777,215	4,170,467	4,713,357	(1,444,343)	24,790	(1,419,553)	-	51%
81	DEN New Broad Communication Private Limited	723,020	43,673,407	212,602,379	168,205,952	236,370,525	9,465,868	(4,700,394)	4,765,474	-	51%
82	Den Kattakada Telecasting and Cable Services Private Limited	995,580	(21,363,090)	9,188,159	29,555,669	8,062,476	(4,164,293)	46,207	(4,118,086)	-	51%
83	Kerala Entertainment Private Limited	1,180,000	15,571,209	31,730,187	14,978,978	11,480,061	(4,934,814)	(4,096)	(4,938,910)	-	100%
84	Den A.F. Communication Private Limited	959,430	(577,770)	9,412,561	9,030,900	125,964	23,075	(62,495)	(39,421)	-	51%
85	Big Den Entertainment Private Limited	600,390	7,039,004	11,483,337	3,843,944	46,667	(1,794,831)	(279,315)	(2,074,146)	-	51%
86	Sree Gokulam Starnet Communication Private Limited	100,000	(15,904,640)	1,149,539	16,954,180	-	(176,424)	(134,576)	(311,000)	-	51%
87	Rajasthan Entertainment Private Limited	840,000	6,519,320	9,652,093	2,292,773	1,539,469	(356,085)	(96,965)	(453,050)	-	100%
88	Fun Cable Network Private Limited	500,000	(10,492,829)	4,948,486	14,941,315	19,980	(293,604)	(24,012)	(317,616)	-	51%
89	Uttar Pradesh Digital Cable Network Private Limited	2,980,000	8,118,814	11,199,963	101,149	1,178,442	(1,884,991)	-	(1,884,991)	-	100%
90	Den Steel City Cable Network Private Limited	601,600	(5,799,959)	7,334,559	12,532,918	-	(877,772)	(103,718)	(981,490)	-	51%
91	Sanmati DEN Cable TV Network Private Limited	552,400	(3,934,663)	6,860,181	10,242,444	-	(27,902)	(62,758)	(90,660)	-	51%
92	Crystal Vision Media Private Limited	500,000	56,852,632	127,681,788	70,329,156	87,309,287	4,442,001	(2,142,333)	2,299,668	-	51%
93	Multi Channel Cable Network Private Limited	555,560	(18,762,410)	7,098,498	25,305,348	-	(558,889)	(24,199)	(583,088)	-	51%
94	Victor Cable Tv Network Private Limited	5,901,960	(21,389,640)	6,910,229	22,397,909	-	(740,929)	(138,592)	(879,521)	-	51%
95	Gemini Cable Network Private Limited	34,123,625	(34,383,918)	74,318,251	74,578,544	39,445,373	1,482,993	796,559	2,279,552	-	51%
96	Matrix Cable Network Private Limited	12,053,340	(7,659,059)	16,046,809	11,652,528	2,701,601	1,193,108	(805,042)	388,066	-	100%
97	DEN Enjoy SBNN Cable Network Private Limited	1,350,000	210,313	7,126,485	5,566,172	23,333	(1,695,458)	5,331	(1,690,127)	-	51%
98	Ambika DEN Cable Network Private Limited	642,860	86	3,864,501	3,221,555	14,167	(100,832)	-	(100,832)	-	51%
99	Saturn Digital Cable Network Private Limited	599,350	5,676,963	10,008,594	3,732,281	3,217,327	615,095	(271,067)	344,028	-	51%
100	Multi Star Cable Network Private Limited	670,000	(2,039,475)	2,630,263	3,999,738	1,243,930	(1,572,878)	16,792	(1,556,086)	-	51%
101	VM Magic Entertainment Private Limited	500,000	4,869,371	11,615,577	6,246,206	-	(457,286)	(79,174)	(536,460)	-	51%

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102	Antique Communications Private Limited	571,500	(1,983,737)	3,190,587	4,602,824	-	126,975	(10,935)	116,040	-	51%
103	DEN Badhoji Cable Network Private Limited	671,110	182,680	3,669,536	2,815,746	7,083	(688,427)	(17,814)	(706,241)	-	51%
104	Sanmati Entertainment Private Limited	602,390	(2,814,388)	4,607,345	6,819,342	12,917	(681,910)	462	(681,448)	-	51%
105	Capital Entertainment Private Limited	500,000	(128,117)	537,089	165,206	-	(6,627)	-	(6,627)	-	100%
106	Disk Cable Network Private Limited	1,657,910	6,379,989	8,110,194	72,295	-	(30,045)	-	(30,045)	-	51%
107	Shaakumbari Den Media Private Limited	4,467,000	(6,979,467)	6,805,297	9,317,764	-	335,642	(29,586)	306,056	-	100%
108	Silverline Television Network Private Limited	750,000	9,200,281	63,475,778	53,525,497	35,166,668	2,161,932	(582,152)	1,579,780	-	51%
109	Eminent Cable Network Private Limited	988,350	121,067,175	582,786,707	460,731,183	344,649,132	66,250,211	(25,088,138)	41,162,073	-	56%
110	Trident Entertainment Private Limited	500,000	(2,284,293)	8,826,097	10,610,390	16,780	7,843,220	(281,721)	7,561,499	-	51%
111	Rose Entertainment Private Limited	7,750,000	2,816,442	21,032,993	10,466,551	10,129,291	(2,558,480)	(165,268)	(2,723,748)	-	51%
112	Blossom Entertainment Private Limited	500,000	(1,676,226)	1,703,233	2,879,459	-	(99,501)	(238,658)	(338,159)	-	51%
113	Ekta Entertainment Network Private Limited	11,940,185	21,851,361	52,450,507	18,658,961	49,093,309	3,507,064	(1,316,268)	2,190,796	-	51%
114	DEN ADN Network Private Limited	38,000,000	61,455,211	355,515,079	256,059,868	208,038,081	16,293,191	(4,770,554)	11,522,638	-	51%
115	CCN DEN Network Private Limited	40,000,000	(29,316,426)	681,638,482	670,954,908	366,018,271	(33,841,361)	(4,918,755)	(38,760,116)	-	51%
116	Devine Cable Network Private Limited	533,130	(671,515)	1,727,270	1,865,654	-	(84,799)	(530)	(85,329)	-	51%
117	Nectar Entertainment Private Limited	594,350	(3,826,631)	5,018,426	8,250,707	43,900	(248,055)	(604,337)	(852,392)	-	51%
118	DEN STN Television Network Private Limited	1,800,000	(2,864,704)	8,484,537	9,549,241	20,417	(1,327,407)	(434,205)	(1,761,612)	-	51%
119	Multitrack Cable Network Private Limited	2,795,000	(1,894,105)	4,578,963	3,678,068	26,250	(2,105,874)	6,656	(2,099,218)	-	51%
120	Glimpse Communications Private Limited	100,000	(658,961)	7,006,528	7,565,489	675,501	(131,337)	76,892	(54,445)	-	51%
121	Indradhanush Cable Network Private Limited	500,000	(11,446,881)	8,286,224	19,233,105	396,236	(570,707)	(1,766,779)	(2,337,486)	-	51%
122	Adhunik Cable Network Private Limited	500,000	(3,425,691)	2,415,242	5,340,933	-	(275,575)	(395,508)	(671,083)	-	51%
123	Pee Cee Cable Network Private Limited	-	-	-	-	-	-	-	-	-	51%
124	Libra Cable Network Private Limited	2,936,760	58,495,719	124,659,355	63,226,877	82,060,158	2,495,540	(2,216,544)	278,996	-	51%
125	Platinum Cable TV Network Private Limited	500,000	21,263,207	82,985,186	61,221,978	70,577,072	(6,946,456)	684,995	(6,261,461)	-	51%
126	Maitri Cable Network Private Limited	900,000	(2,762,412)	3,020,557	4,882,969	9,167	(2,698,772)	(12,884)	(2,711,656)	-	51%
127	Melody Cable Network Private Limited	1,250,000	(1,649,244)	2,646,216	3,045,460	465,614	(1,155,666)	(24,023)	(1,179,689)	-	100%
128	Mountain Cable Network Private Limited	1,000,000	(3,101,896)	3,107,242	5,209,138	2,917	(758,767)	(154,001)	(912,768)	-	51%
129	Portrait Cable Network Private Limited	1,200,000	(1,793,165)	2,071,816	2,664,981	319,695	(515,575)	(4,497)	(520,072)	-	100%
130	Mansion Cable Network Private Limited	67,036,759	288,552,231	621,121,067	265,532,077	356,851,206	79,613,387	(11,715,140)	67,898,247	3,219,917	66%
131	Skyenet Cable Network Private Limited	8,150,000	(5,370,779)	14,910,607	12,131,386	1,696,516	(599,575)	(195,188)	(794,763)	-	100%
132	DEN Discovery Digital Networks Private Limited	366,420	31,875,783	378,510,687	346,268,486	218,814,745	19,366,903	(6,168,597)	13,198,306	-	51%
133	Jhankaar Cable Network Private Limited	2,500,000	(10,736,501)	4,924,495	13,160,996	11,667	(82,877)	-	(82,877)	-	51%
134	Konark IP Dossiers Private Limited	30,000,000	(15,848,889)	160,910,416	146,759,305	181,315,288	3,131,119	(1,046,758)	2,084,361	-	50%
135	Den ABC Cable Networks Ambarnath Private Limited	22,592,609	13,757,404	101,505,375	65,155,362	93,888,505	9,752,869	(2,974,642)	6,778,227	-	51%



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136	Den Premium Multilink Cable Network Private Limited	100,000	30,590,632	323,675,398	292,984,769	169,009,322	25,349,555	(7,963,860)	17,385,695	-	51%
137	Angel Cable Network Private Limited	1,000,000	2,424,336	9,916,154	6,491,818	-	(460,625)	(32,628)	(493,253)	-	51%
138	Scorpio Cable Network Private Limited	2,000,000	(937,532)	3,140,840	2,078,372	5,833	(487,456)	(65,532)	(552,988)	-	51%
139	Desire Cable Network Private Limited	1,425,000	(3,679,766)	2,141,468	4,396,234	11,667	1,602,176	(932,194)	669,982	-	51%
140	Marble Cable Network Private Limited	1,929,610	(1,086,855)	6,205,181	5,362,426	5,833	(630,892)	8,939	(621,953)	-	51%
141	Augment Cable Network Private Limited	1,000,000	1,565,786	5,384,734	2,818,948	5,833	(431,524)	(1,980)	(433,504)	-	51%
142	ABC Cable Network Private Limited	1,104,470	82,119	8,361,186	7,174,596	29,584	(1,035,707)	(4,179)	(1,039,886)	-	51%
143	Den MTN Star Vision Cable Private Limited	676,890	(70,142)	4,777,215	4,170,467	4,713,357	(1,444,343)	24,790	(1,419,553)	-	51%
144	Macro Commerce Private Limited	158,888,880	(351,521,154)	99,998,943	292,631,217	94,999,300	(1,236,873)	-	(1,236,873)	-	82.87%

\*The List of subsidiaries is as per provision of Section 2(87) of the Companies Act, 2013. However, the consolidation of subsidiaries has been done, in the books of accounts of the company as per IND AS.

\*\* \*Includes non current investments also

**Consolidated  
Ind AS Financial  
Statements**



# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF DEN NETWORKS LIMITED

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **DEN NETWORKS LIMITED** (hereinafter referred to as "the Holding Company" / "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), its associates and its joint venture, comprising the Consolidated Balance Sheet as at 31 March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group including its Associates and Joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint venture 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 Ind AS financial statements by the Directors of the Parent, as aforesaid.

### Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements the subsidiaries and associate referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at 31 March, 2017, and their consolidated loss, consolidated total comprehensive loss, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Other Matters

(a) We did not audit the financial statements/financial information of 133 subsidiaries, whose financial statements/financial information reflect total assets of Rs. 8,547.02 million as at 31 March, 2017, total revenues of Rs. 4,319.83 million and net cash inflows amounting to Rs. 107.77 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also includes the Group's share of net profit of Rs. 8.78 million for the year ended 31 March, 2017 as considered in the consolidated Ind AS financial statements, in respect of 1 associate, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and

our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements/financial information of 5 subsidiaries, whose financial statements/financial information reflect total assets of Rs. 827.10 million as at 31 March, 2017, total revenues of Rs. 411.06 million and net cash inflows amounting to Rs. 5.72 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 38.62 million for the year ended 31 March, 2017, as considered in the consolidated Ind AS financial statements, in respect of 3 associates and 1 joint venture, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.
- (c) The comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 in respect of 133 subsidiaries and 2 associates included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.
- (d) The comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 in respect of 6 subsidiaries, 2 joint ventures and 2 associates included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been furnished to us by the Management and have been relied upon by us.

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

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries and associate, companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and

explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2017 taken on record by the Board of Directors of the Parent, the reports of the statutory auditors of its subsidiaries and associate, companies incorporated in India, none of the directors of the Group companies and its associate, companies incorporated in India, is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A", which is based on the auditors' reports of the Parent, subsidiaries and associate, companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's, subsidiary companies and associate company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - Refer Note 30(b) to the consolidated Ind AS financial statements.
  - ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts - Refer Note 48 to the consolidated Ind AS financial statements.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, its subsidiaries and its associate,

companies incorporated in India - Refer Note 51 to the consolidated Ind AS financial statements.

- iv. The Holding Company has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and the other auditors by the Management of the respective Group entities. Refer Note 12 B to the consolidated Ind AS financial statements.

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

Place: Kolkata

Date: 22 May, 2017

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

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2017, we have audited the internal financial controls over financial reporting of **DEN NETWORKS LIMITED** (hereinafter referred to as "the Holding Company" / "Parent"), its 133 subsidiary companies and 1 associate company, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal

Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and an associate company, which are companies incorporated in India, in terms of their reports, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and

procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters

paragraph below, the Parent and its subsidiary companies and associate company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting as of 31 March, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 133 subsidiary companies and 1 associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors.

Our opinion is not modified in respect of the above matters.

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

Place: Kolkata  
Date: 22 May, 2017



## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2017

Particulars	Note No.	As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
		(Rs. in million)	(Rs. in million)	(Rs. in million)
<b>A. ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, plant and equipment	3A	11,266.69	12,120.60	9,861.97
(b) Capital work-in-progress	3A	454.10	1,288.20	1,041.72
(c) Goodwill on consolidation	38	2,473.60	2,487.84	2,631.66
(d) Other intangible assets	3B	151.42	129.74	102.10
(e) Financial assets				
(i) Investments				
(a) in associates	4	744.78	736.15	707.63
(b) in joint ventures	5	-	-	430.87
(ii) Other financial assets	6	162.20	234.98	485.00
(f) Non current tax assets (net)	7	1,203.98	1,284.16	1,079.04
(g) Deferred tax assets (net)	29(d)	796.40	807.26	703.24
(h) Other non-current assets	9	390.89	277.93	349.71
<b>Total non-current assets</b>		<b>17,644.06</b>	<b>19,366.86</b>	<b>17,392.94</b>
<b>2. Current assets</b>				
(a) Financial assets				
(i) Other investments	10	266.79	357.28	1,337.72
(ii) Trade receivables	11	2,402.27	2,625.62	2,794.86
(iii) Cash and cash equivalents	12	868.00	1,605.08	1,274.95
(iv) Bank balances other than cash and cash equivalents	13	2,391.40	3,535.51	6,671.62
(v) Loans	8	700.60	731.12	374.62
(vi) Other financial assets	6	218.00	286.43	697.86
(b) Other current assets	9	594.97	805.30	472.47
<b>Total current assets</b>		<b>7,442.03</b>	<b>9,946.34</b>	<b>13,624.10</b>
<b>Total assets</b>		<b>25,086.09</b>	<b>29,313.20</b>	<b>31,017.04</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	14	1,935.68	1,777.42	1,777.42
(b) Other equity	15	7,180.15	7,919.66	12,128.40
<b>Equity attributable to owners of the Company</b>		<b>9,115.83</b>	<b>9,697.08</b>	<b>13,905.82</b>
Non-controlling interests	55	896.40	705.72	789.08
<b>Total equity</b>		<b>10,012.23</b>	<b>10,402.80</b>	<b>14,694.90</b>
<b>Liabilities</b>				
<b>1. Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	16	1,879.70	3,277.06	3,376.07
(ii) Other financial liabilities	20	5.50	3.21	3.53
(b) Provisions	17	88.80	82.00	65.75
(c) Deferred tax liabilities (net)	29(d)	3.40	5.59	5.71
(d) Other non-current liabilities	21	3,915.32	3,897.48	2,380.09
<b>Total non-current liabilities</b>		<b>5,892.72</b>	<b>7,265.34</b>	<b>5,831.15</b>

Particulars	Note No.	As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
		(Rs. in million)	(Rs. in million)	(Rs. in million)
<b>2. Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	1,227.70	2,853.30	3,845.62
(ii) Trade payables	19	3,328.83	2,865.38	2,061.22
(iii) Other financial liabilities	20	2,737.91	3,975.30	3,096.48
(b) Provisions	17	51.80	52.80	34.33
(c) Current tax liabilities (net)	22	74.90	138.89	56.89
(d) Other current liabilities	21	1,760.00	1,759.39	1,396.45
<b>Total current liabilities</b>		<b>9,181.14</b>	<b>11,645.06</b>	<b>10,490.99</b>
<b>Total liabilities</b>		<b>15,073.86</b>	<b>18,910.40</b>	<b>16,322.14</b>
<b>Total equity and liabilities</b>		<b>25,086.09</b>	<b>29,313.20</b>	<b>31,017.04</b>
See accompanying notes to the Consolidated Ind AS Financial Statements	1 to 58			

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

Kolkata  
22 May, 2017

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

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

**Manish Dawar**  
Group Chief Financial Officer

New Delhi  
22 May, 2017

**Ajaya Chand**  
Director  
DIN: 02334456

**Jatin Mahajan**  
Company Secretary





# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2017

Particulars		Note No.	Year ended 31.03.2017 (Rs. in million)	Year ended 31.03.2016 (Rs. in million)
<b>1. Income</b>				
(a)	Revenue from operations	23	11,573.40	9,475.01
(b)	Other income	24	409.18	583.67
<b>2. Total income</b>			<b>11,982.58</b>	<b>10,058.68</b>
<b>3. Expenses</b>				
(a)	Content cost		4,732.79	4,732.18
(b)	Placement fees		501.99	535.04
(c)	Employee benefits expense	25	1,233.69	1,230.10
(d)	Finance costs	26	651.62	790.87
(e)	Depreciation and amortisation expense	3A, 3B	2,775.00	2,061.01
(f)	Other expenses	27	3,316.80	4,099.07
<b>4. Total expenses</b>			<b>13,211.89</b>	<b>13,448.27</b>
<b>5. Profit/(Loss) before exceptional items and tax expense (2-4)</b>			<b>(1,229.31)</b>	<b>(3,389.59)</b>
<b>6. Exceptional items</b>		28	306.81	649.60
7.	Share of profit / (loss) of associates	54	(29.71)	34.07
8.	Share of profit / (loss) of joint ventures		-	(89.69)
<b>9. Profit/(Loss) before tax (5-6+7+8)</b>			<b>(1,565.83)</b>	<b>(4,094.81)</b>
<b>10. Tax expense</b>				
(a)	Current tax	29a	321.19	322.33
(b)	Deferred tax	29b	8.67	(104.14)
<b>11. Total tax expense</b>			<b>329.86</b>	<b>218.19</b>
<b>12. Profit/(Loss) after tax (9-11)</b>			<b>(1,895.69)</b>	<b>(4,313.00)</b>
<b>13. Other comprehensive income</b>				
(i)	Items that will not be reclassified to profit or loss:			
(a)	Remeasurement of defined benefit obligations	34	4.33	3.61
(b)	Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		0.13	(0.06)
(ii)	Income tax relating to items that will not be reclassified to profit or loss		0.77	(0.44)
<b>14. Total other comprehensive income</b>			<b>5.23</b>	<b>3.11</b>
<b>15. Total comprehensive income/(loss) for the year (12+14)</b>			<b>(1,890.46)</b>	<b>(4,309.89)</b>
<b>16. Profit/(Loss) for the year attributable to :</b>				
-	Owners of the Company		(2,101.83)	(4,315.02)
-	Non-controlling interests	55	206.14	2.02
<b>17. Other comprehensive income for the year :</b>				
-	Owners of the Company		5.49	1.65
-	Non-controlling interests	55	(0.26)	1.46
<b>18. Total comprehensive income/(loss) for the year :</b>				
-	Owners of the Company		(2,096.34)	(4,313.37)
-	Non-controlling interests	55	205.88	3.48
<b>19. Earnings per equity share (EPS)</b>		35		
	(Face value of Rs. 10 per share)			
	Basic (in Rs.)		(11.35)	(24.21)
	Diluted (in Rs.)		(11.35)	(24.21)
See accompanying notes to the Consolidated Ind AS Financial Statements		1 to 58		

**In terms of our report attached**

For Deloitte Haskins & Sells

Chartered Accountants

**Alka Chadha**

Partner

(Membership No. 93474)

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

**DEN NETWORKS LIMITED**

**Sameer Manchanda**

Chairman and

Managing Director

DIN: 00015459

**Ajaya Chand**

Director

DIN: 02334456

**Manish Dawar**

Group Chief Financial Officer

**Jatin Mahajan**

Company Secretary

Kolkata  
22 May, 2017

New Delhi  
22 May, 2017

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017

Particulars	Year ended	Year ended
	31.03.2017 (Rs. in million)	31.03.2016 (Rs. in million)
<b>A. Cash flow from operating activities</b>		
Profit /(Loss) after tax	(1,895.69)	(4,313.00)
Adjustments for :		
Income tax expense recognised in profit or loss	329.86	218.19
Depreciation and amortisation expense	2,775.00	2,061.01
Liabilities/ excess provisions written back	(213.41)	(72.34)
Interest income	(331.51)	(518.08)
Net gain on sale of current investments	(32.38)	(65.59)
Net gain on foreign currency transactions and translation	(45.24)	-
Share-based payments to employees	107.02	52.55
Finance costs	651.62	790.87
Provision for impairment of goodwill on consolidation and intangible assets (brand)	250.18	159.70
Allowance on trade receivables and advances	370.70	1,620.12
Dividend income from current investments	(0.05)	-
Property, plant and equipment/ capital work in progress written off	-	1.00
Provision for capital-work-in-progress	19.53	28.62
Profit on disposal of non-current investments in subsidiary and joint venture	-	(416.50)
Loss on sale of property, plant and equipment	2.86	8.21
Share of Profit / (Loss) from associates	(29.71)	34.07
Share of Profit / (Loss) from joint ventures	-	(89.69)
<b>Operating profit before working capital changes</b>	<b>1,958.78</b>	<b>(500.86)</b>
Changes in working capital:		
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	(115.02)	(1,159.84)
Other assets - current	258.00	(332.83)
Other assets - non-current	(126.20)	(354.82)
Other financial assets - current	31.80	230.70
Other financial assets - non current	24.44	19.84
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	612.75	876.51
Other financial liabilities - current	(364.94)	(74.41)
Other financial liabilities - non-current	2.29	(0.32)
Other non-financial liabilities - current	(14.86)	362.94
Other non-financial liabilities - non current	17.84	1,517.39
Provisions - current	(2.51)	18.47
Provisions - non current	9.11	19.36
Cash generated from/ (used in) operations	2,291.48	622.13
Net income tax (paid) / refunds	(297.77)	(547.14)
<b>Net cash flow from operating activities (A)</b>	<b>1,993.71</b>	<b>74.99</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on property, plant and equipment including capital advances	(1,742.19)	(3,767.64)
Proceeds from sale of property, plant and equipment	105.11	(14.16)
Bank balances not considered as Cash and cash equivalents		
- Placed	1,144.11	3,136.11
Current investments not considered as Cash and cash equivalents:		
- Purchased	(2,870.57)	(2,579.40)
- Proceeds from sale	2,993.44	3,625.43
Increase/(Decrease) in goodwill on consolidation from purchase of non-current investments	33.95	(15.88)
Purchase/acquisition of non-current investments:		



Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
		(Rs. in million)	(Rs. in million)
- Associates		(104.50)	-
- Joint ventures		(60.00)	-
Proceeds from disposal of non-current investments			
- Subsidiaries		-	215.00
- Associates		80.00	-
- Joint ventures		-	403.50
Dividend on			
- Current investments		0.05	-
Loans given			
- Given		(161.97)	(100.46)
- Realised		192.49	-
Advance given for investment		28.35	294.88
Interest received		359.15	667.54
<b>Net cash from investing activities</b>	<b>(B)</b>	<b>(2.58)</b>	<b>1,864.92</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from issue of equity shares		1,424.34	-
Share issue expenses		(16.27)	-
Dividend distribution taxes		-	(18.47)
Purchase of non-controlling interests		15.46	133.81
Dividend paid to non-controlling interests of subsidiaries		-	(48.43)
Non-current borrowings			
- Proceeds		1,889.51	1,841.38
- Repayments		(3,326.86)	(2,492.64)
Current borrowings			
- Proceeds		294.24	122.63
- Repayments		(2,379.38)	(350.00)
Finance costs		(677.10)	(798.07)
<b>Net cash used in financing activities</b>	<b>(C)</b>	<b>(2,776.06)</b>	<b>(1,609.79)</b>
Net increase/ (decrease) in cash and cash equivalents	<b>(A+B+C)</b>	(784.93)	330.12
Cash and cash equivalents as at the beginning of the year		1,605.08	1,274.96
Cash and cash equivalents on acquisition of subsidiary during the year		47.85	-
<b>Cash and cash equivalents as at the end of the year (See note 12)*</b>		<b>868.00</b>	<b>1,605.08</b>
*Comprises:			
a. Cash on hand		78.76	139.86
b. Cheques on hand		1.73	87.72
c. Balance with scheduled banks			
i. in current accounts		632.54	1,098.71
ii. in deposit accounts			
-original maturity of 3 months or less		154.97	278.79
		<b>868.00</b>	<b>1,605.08</b>

See accompanying notes to the Consolidated Ind AS Financial Statements

1 to 58

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

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

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

**Ajaya Chand**  
Director  
DIN: 02334456

**Manish Dawar**  
Group Chief Financial Officer

**Jatin Mahajan**  
Company Secretary

Kolkata  
22 May, 2017

New Delhi  
22 May, 2017

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH, 2017

## Statement of changes in equity for the year ended 31 March, 2017

### a. Equity share capital

(Rs. in million)

Particulars	Amount
<b>Balance at 1 April, 2015</b>	<b>1,777.42</b>
Changes in equity share capital during the year	
Issue of equity shares (See note 14)	-
<b>Balance at 31 March, 2016</b>	<b>1,777.42</b>
Changes in equity share capital during the year	
Issue of equity shares (See note 44)	158.26
<b>Balance at 31 March, 2017</b>	<b>1,935.68</b>

### b. Other equity

(Rs. in million)

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserve	Equity-settled employee benefits reserve	Retained Earnings	
Balance at 1 April, 2015	15,127.09	208.69	8.67	(3,216.05)	12,128.40
Profit/(Loss) for the year	-	-	-	(4,315.02)	(4,315.02)
Other comprehensive income for the year	-	-	-	1.65	1.65
ESOP compensation expense (See note 25)	-	-	52.55	-	52.55
Adjustment on disposal / dilution of stake in subsidiary / joint ventures	-	-	-	62.30	62.30
Transfer to general reserve	-	8.25	-	-	8.25
Dividend distribution tax	-	-	-	(18.47)	(18.47)
<b>Balance at 31 March, 2016</b>	<b>15,127.09</b>	<b>216.94</b>	<b>61.22</b>	<b>(7,485.59)</b>	<b>7,919.66</b>
Profit/(Loss) for the year	-	-	-	(2,101.83)	(2,101.83)
Other comprehensive income for the year	-	-	-	5.49	5.49
Premium on shares issued during the year (See note 44)	1,266.08	-	-	-	1,266.08
Share issue expenses	(16.27)	-	-	-	(16.27)
ESOP compensation expense (See note 25)	-	-	107.02	-	107.02
<b>Balance at 31 March, 2017</b>	<b>16,376.90</b>	<b>216.94</b>	<b>168.24</b>	<b>(9,581.93)</b>	<b>7,180.15</b>

See accompanying notes to the Consolidated Ind AS Financial Statements

1 to 58

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

**Alka Chadha**  
Partner  
(Membership No. 93474)

Kolkata  
22 May, 2017

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

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

**Manish Dawar**  
Group Chief Financial Officer

New Delhi  
22 May, 2017

**Ajaya Chand**  
Director  
DIN: 02334456

**Jatin Mahajan**  
Company Secretary

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 1. Corporate information

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

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

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

These Consolidated Ind AS Financial Statements comprise the consolidation of DEN NETWORKS LIMITED (the Parent), its wholly owned and other subsidiaries (together the 'Group'). These subsidiaries and associates are mainly engaged in the business of distribution of cable television channels, internet and other related business.

### 2 Significant accounting policies

#### 2.01 Basis of preparation

##### (i) Statement of Compliance and basis of preparation

The Consolidated Ind AS Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended 31 March, 2016, the Group prepared its financial statements in accordance with the requirements of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April, 2015. Refer note 2.05 for the details of first-time adoption exemptions availed by the Group.

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

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of

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

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

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

#### 2.02 Basis of consolidation

The Consolidated Ind AS Financials Statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date of the group gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control, over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of an investment in an associate or a joint venture.

### 2.03 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.04 ) less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the

synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The recoverable amount of the cash-generating unit is less than its carry amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture described at note 2.04 below.

### 2.04 Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and liability assumed are recognised at the fair value, except that:

- 1) deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- 2) liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date; and
- 3) assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is

incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

### 2.05 First-time adoption – mandatory exceptions, optional exemptions

#### Overall principle

The Group has prepared the opening Consolidated Balance Sheet as per Ind AS as of 1 April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Group as detailed below.

#### Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April, 2015 (the transition date).

#### Accounting for changes in parent's ownership in a subsidiary that does not result in a loss of control

The Group has accounted for changes in a parent's ownership in a subsidiary that does not result in a loss of control in accordance with Ind AS 110, prospectively from the date of transition.

#### Classification of debt instruments

The Group has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

#### Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

#### Assessment of embedded derivatives

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Group has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

### Past business combinations

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of 1 April, 2015. Consequently,

- The Group has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the Consolidated Balance Sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Group has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

The above exemption in respect of business combinations has also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business, as defined in Ind AS 103.

### Deemed cost for property, plant and equipment, investment property, and intangible assets

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

### Determining whether an arrangement contains a lease

The Group has applied Appendix C of Ind AS 17 'Determining whether an Arrangement contains a Lease' to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

### Treatment of exchange differences

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are accounted for in the Consolidated Statement of Profit and Loss.

The Group has availed the exemption and continues the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP, i.e 31 March, 2016.

### **2.06 Cash and cash equivalents**

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

### **2.07 Cash flow statement**

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

### **2.08 Property, plant and equipment**

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2015 (transition date) measured as per the previous GAAP as their deemed cost as of the transition date.

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

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

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful life is taken in accordance with Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

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

### 2.09 Intangible assets

#### Intangible assets acquired separately

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

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

#### Derecognition of intangible assets

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

#### Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life

on straight line method as follows:

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

#### Deemed cost on transition to Ind AS

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

### 2.10 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

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

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 2.11 Revenue recognition

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

#### i. Rendering of services

1. Service revenue comprises subscription income from digital and analog subscribers, placement of channels, advertisement revenue, fees for rendering management, technical and consultancy services and other related services. Income from services is recognised upon completion of services as per the terms of contracts with the customers. Period based services are accrued and recognised pro-rata over the contractual period.
2. Activation fees on Set top boxes (STBs) is deferred and recognised over the period of customer relationship on activation of boxes.
3. Amounts billed for services in accordance with contractual terms but where revenue is not recognised, have been classified as advance billing and disclosed under current liabilities.
4. Revenue from prepaid internet service plans, which are active at the end of accounting period, is recognised on time proportion basis.
5. Revenue from tele-marketing of products is recognised on delivery of the marketed products. The revenue is recognised net of estimated amount of return of marketed products based on historical experience.

#### ii. Sale of goods (equipment)

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

- a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c) the amount of revenue can be measured reliably
- d) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### 2.12 Other income

#### Dividend income and interest income

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

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

### 2.13 Share-based payment arrangements

#### Share-based payment transactions of the Group

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

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

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

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

### 2.14 Foreign Currencies

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

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

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### Treatment of exchange differences

The exchange differences on monetary items are recognised in Profit or Loss in the period in which they arise.

### **2.15 Financial instruments**

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

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

#### **Investment in joint ventures and associates**

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

The investment in joint ventures and associates are accounted for using equity method

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these Consolidated Ind AS Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or

joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's Consolidated Ind AS Financial Statements only to the extent of interests in the associate or joint venture that are not related to the Group.

### **Financial assets**

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

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

### **Classification of financial assets**

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

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

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

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

Interest income is recognised in profit or loss for FVTOCI

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

All other financial assets are subsequently measured at fair value.

### **Effective interest method**

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

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

### **Investments in equity instruments at FVTOCI**

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

A financial asset is held for trading if:

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

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

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

which are not held for trading.

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

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

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

### **Impairment of financial assets**

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables and other contractual rights to receive cash or other financial asset.

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

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### **Derecognition of financial assets**

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

On derecognition of a financial asset in its entirety, the

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

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

### **Foreign exchange gains and losses**

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

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

## **2.16 Financial liabilities and equity instruments**

### **Classification as debt or equity**

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

### **Equity instruments**

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

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

### **Financial liabilities**

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

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

### a) Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's risk management or investment strategy, and information about the Grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL.

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

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes

in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

### b) Financial liabilities subsequently measured at amortised cost

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

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

### c) Foreign exchange gains and losses

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

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

### d) Derecognition of financial liabilities

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

## 2.17 Employee benefit costs

### Retirement benefits costs and termination benefits

Payments to defined contribution retirement benefit plans

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

are recognised as an expense when employees have rendered service entitling them to the contributions:

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

- a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b. net interest expense or income; and
- c. remeasurement

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

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

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

### Short-term and other long-term employee benefits

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

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

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

Contributions from employees or third parties to defined benefit plans.

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

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

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

### 2.18 Segment information

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

### 2.19 Leases

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

#### **The Group as lessor:**

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

#### **The Group as lessee:**

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

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group general policy on borrowing costs.

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

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

### 2.20 Borrowing costs

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

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

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

### 2.21 Earnings per share

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

any, as appropriate.

### 2.22 Taxation

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

#### Current tax

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

#### Deferred tax

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

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

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

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

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



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### **2.23 Provisions**

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

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

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

#### 2.23.1 Onerous contracts

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

#### 2.23.2 Restructurings

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

#### 2.23.3 Contingent liabilities acquired in a business combination

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

### **2.24 Share issue expenses**

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

### **2.25 Insurance claims**

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

### **2.26 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/ utilising the credits.

### **2.27 Critical accounting judgements and key sources of estimation uncertainty**

#### **Critical accounting judgements**

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Ind AS Financial Statements.

#### Contingent liabilities

Assessment of whether outflow embodying economic benefits is probable, possible or remote. (See note 30)

#### Significant influence over DEN ADN Network Private Limited

DEN ADN Network Private Limited has been designated as associate of the Group even though the Group has 51% of the ownership interest and 51% of the voting rights in these companies. The directors of the Parent assessed whether or not the Group has control over DEN ADN Network Private Limited based on whether the Group has the practical ability to direct the relevant activities of DEN ADN Network Private Limited unilaterally. The directors have, based on the terms of the shareholders' agreement, concluded that the Group exercises significant influence over DEN ADN Network Private Limited.

#### Significant influence over CCN DEN Network Private Limited

CCN DEN Network Private Limited has been designated as associate of the Group even though the Group has 51% of the ownership interest and 51% of the voting rights in these companies. The directors of the Parent assessed whether or not the Group has control over CCN DEN Network Private Limited based on whether the Group has the practical ability to direct the relevant activities of CCN DEN Network Private Limited unilaterally. The directors have, based on the terms of the shareholders' agreement, concluded that the Group exercises significant influence over CCN DEN Network Private Limited.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### Significant influence over Den Satellite Network Private Limited

Den Satellite Network Private Limited has been designated as associate of the Group even though the Group has 50% of the ownership interest and 50% of the voting rights in these companies. The directors of the Parent assessed whether or not the Group has control over Den Satellite Network Private Limited based on whether the Group has the practical ability to direct the relevant activities of Den Satellite Network Private Limited unilaterally. The directors have, based on the terms of the shareholders' agreement, concluded that the Group exercises significant influence over Den Satellite Network Private Limited.

### **Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Useful lives of property, plant and equipment (see note 2.08)

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There is no such change in the useful life of the assets.

#### Fair value measurements and valuation processes (see note 2.15)

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

#### Defined benefit obligations

Key assumptions related to life expectancies, salary increases and withdrawal rates (see note 34).

#### Revenue recognition (see note 2.11)

#### Impairment testing of investments (see note 2.15)

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

### **2.28 Operating Cycle**

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

### **2.29 Standards issued but not yet effective:**

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

### **Amendment to Ind AS 7:**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is evaluating the requirements of the amendment and its impact on its cash flows, which are not expected to be material.

### **Amendment to Ind AS 102:**

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Group does not have any scheme of share based payments and hence the requirements of the amendment will not have any impact of the financial statements.

**2.30** The following subsidiary companies, associates and joint ventures have been considered in the preparation of the Consolidated Ind AS Financial Statements:

#### **i. Wholly owned subsidiaries**

S. No.	Name of the Company
1	Amogh Broad Band Services Private Limited
2	Aster Entertainment Private Limited
3	Den Bellary City Cable Private Limited
4	Den Digital Entertainment Gujarat Private Limited
5	Den Entertainment Network Private Limited
6	Den Futuristic Cable Networks Private Limited
7	Den Mewar Rajdev Cable Network Private Limited
8	Den Montooshah Network Private Limited
9	Den RIS Cable Network Private Limited
10	Den Ucn Network India Private Limited
11	Matrix Cable Network Private Limited
12	Shaakumbari Den Media Private Limited

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

13	Shine Cable Network Private Limited
14	DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) (upto 30 March, 2016)
15	Skynet Cable Network Private Limited (w.e.f. 1 April, 2016)

### ii. Subsidiaries with 51% shareholding

S. No.	Name of the Company
1	Adhunik Cable Network Private Limited
2	Ambika Den Cable Network Private Limited
3	Antique Communications Private Limited
4	Augment Cable Network Private Limited
5	Bali Den Cable Network Private Limited
6	Big Den Entertainment Private Limited
7	Blossom Entertainment Private Limited
8	Cab-i-Net Communications Private Limited
9	Crystal Vision Media Private Limited
10	Den A.F. Communication Private Limited
11	Den Aman Entertainment Private Limited
12	Den Ashu Cable Private Limited
13	DEN BCN Suncity Network Private Limited
14	Den Bindra Network Private Limited
15	Den Budaun Cable Network Private Limited
16	Den Citi Channel Private Limited
17	Den Classic Cable TV Services Private Limited
18	DEN Crystal Vision Network Private Limited
19	Den Digital Cable Network Private Limited (upto 5 March, 2017)
20	DEN Discovery Digital Networks Private Limited
21	Den Elgee Cable Vision Private Limited
22	Den Enjoy Cable Networks Private Limited
23	Den F K Cable Tv Network Private Limited
24	Den Fateh Marketing Private Limited
25	DEN Harsh Mann Cable Network Private Limited
26	Den Jai Ambey Vision Cable Private Limited
27	Den Kashi Cable Network Private Limited
28	Den Kattakada Telecasting and Cable Services Private Limited
29	Den Krishna Vision Private Limited
30	Den Maa Sharda Vision Cable Networks Private Limited
31	Den Malabar Cable Vision Private Limited
32	DEN Malayalam Telenet Private Limited
33	Den MCN Cable Network Private Limited
34	Den Mod Max Cable Network Private Limited
35	Den Nashik City Cable Network Private Limited
36	Mahadev Den Cable Network Private Limited
37	Den Pradeep Cable Network Private Limited
38	Den Premium Multilink Cable Network Private Limited

39	Den Prince Network Private Limited
40	Den Rajkot City Communication Private Limited (formerly Rajkot City Communication Private Limited)
41	Den Sahyog Cable Network Private Limited
42	Den Sariga Communications Private Limited
43	Den Satellite Cable TV Network Private Limited
44	Den Steel City Cable Network Private Limited
45	Den Supreme Satellite Vision Private Limited
46	DEN Varun Cable Network Private Limited
47	Den-Manoranjan Satellite Private Limited
48	Desire Cable Network Private Limited
49	Devine Cable Network Private Limited
50	Disk Cable Network Private Limited
51	Drashti Cable Network Private Limited
52	Ekta Entertainment Network Private Limited
53	Fab Den Network Private Limited
54	Fortune (Baroda) Network Private Limited
55	Galaxy Den Media & Entertainment Private Limited
56	Gemini Cable Network Private Limited
57	Glimpse Communication Private Limited
58	Indradhanush Cable Network Private Limited
59	Jhankaar Cable Network Private Limited
60	Libra Cable Network Private Limited
61	Mahadev Den Cable Network Private Limited
62	Mahavir Den Entertainment Private Limited
63	Marble Cable Network Private Limited
64	Meerut Cable Network Private Limited
65	Multi Channel Cable Network Private Limited
66	Multi Star Cable Network Private Limited
67	Multitrack Cable Network Private Limited
68	Nectar Entertainment Private Limited
69	Pee Cee Cable Network Private Limited
70	Radiant Satellite (India) Private Limited
71	Rose Entertainment Private Limited
72	Sanmati Den Cable TV Network Private Limited
73	Sanmati Entertainment Private Limited
74	Scorpio Cable Network Private Limited
75	Shree Ram Den Network Private Limited
76	Shree Siddhivinayak Cable Network Private Limited
77	Silverline Television Network Private Limited
78	Sree Gokulam Starnet Communication Private Limited
79	Trident Entertainment Private Limited
80	United Cable Network (Digital) Private Limited
81	Victor Cable TV Network Private Limited
82	VM Magic Entertainment Private Limited

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### iii. Other subsidiaries

S. No.	Name of the Company	31.03.2017	31.03.2016
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	Eminent Cable Network Private Limited	56%	56%
5	Mahadev Den Network Private Limited	95%	95%
6	Den Shiva Cable Network Private Limited	94%	94%
7	DEN Krishna Cable TV Network Private Limited	74%	74%
8	Den Radiant Satelite 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 Ambey Cable Networks Private Limited	61%	61%
12	Mansion Cable Network Private Limited	66%	66%
13	Den Digital Cable Network Private Limited (w.e.f. 6 March, 2017)	89%	51%
14	Macro Commerce Private Limited (w.e.f. 16 July, 2016)	83%	-

### iv. Step down subsidiaries

S. No.	Name of the Company	31.03.2017	31.03.2016
<b>Den Futuristic Cable Networks Private Limited</b>			
1	Den Faction Communication System Private Limited	51%	51%
2	Astonishing Network Private limited (formerly known as 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 Ambey Farukabad Cable Network Private Limited	100%	100%
2	Den Ambey Jhansi Cable Network Private Limited	100%	100%
3	DEN Prayag Cable Networks Private Limited	75%	75%
4	Melody Cable Network Private Limited	60%	60%
5	Den Ambey Citi Cable Network Private Limited	51%	51%
6	Den Deva Cable Network Private Limited	51%	51%
7	Star Channel Den Network Private Limited	51%	51%
8	Saturn Digital Cable Private Limited	51%	51%
9	Portrait Cable Network Private Limited	51%	51%
<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	Divya Drishti Den Network Private Limited	51%	51%
2	Kishna Den Cable Networks Private Limited	51%	51%
3	Bhadohi DEN Entertainment Private Limited	51%	51%
<b>Amogh Broad band Services Private Limited</b>			
1	Skynet Cable Network Private Limited (upto 31 March, 2016)	-	100%
<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 (formerly Platinum Cable Tv Network Private Limited)	51%	51%
<b>Den Aman Entainment Network 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%



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

S. No.	Name of the Company	31.03.2017	31.03.2016
<b>Disk Cable Network Private Limited</b>			
1	Den STN Television Network Private Limited	51%	51%
2	Maitri Cable Network Private Limited	51%	51%
<b>Eminent Cable Network Private Limited</b>			
1	Angel Cable Network Private Limited	51%	51%
2	ABC Cable Network Private Limited	51%	51%
<b>DELHI SPORTS &amp; ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS &amp; ENTERTAINMENT PRIVATE LIMITED)</b>			
1	Delhi Soccer Private Limited (formerly known as DEN SOCCER PRIVATE LIMITED) upto 30 March, 2016	100%	100%

### v. Joint venture Companies

S. No.	Name of the Company	31.03.2017	31.03.2016
1	Star Den Media Services Private Limited (upto 30 March, 2016)	-	-
2	Macro Commerce Private Limited (upto 15 July, 2016)	-	50%

### vi. Associate companies

S. No.	Name of the Company	31.03.2017	31.03.2016
1	DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) (w.e.f. 31 March 2016)		
2	DEN ADN Network Private Limited		
3	CCN DEN Network Private Limited		
4	Den Satellite Network Private Limited		

All the above entities are incorporated in India.

### Note 3:

#### 3A Property, plant and equipment

(Rs. in million)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Carrying amounts of :</b>			
a) Leasehold improvements	18.10	8.82	9.32
b) Buildings	6.46	9.02	9.12
c) Plant and equipment			
i. Headend and distribution equipment	2,236.13	2,344.92	1,850.12
ii. Set top boxes	8,656.57	9,498.91	7,849.15
iii. Modems and routers	200.58	141.30	26.89
iv. Computers	6.48	1.22	23.18
v. Office and other equipment	110.72	81.96	56.55
d) Furniture and fixtures	14.64	11.74	12.36
e) Vehicles	17.01	22.71	25.28
	<b>11,266.69</b>	<b>12,120.60</b>	<b>9,861.97</b>
Capital work-in-progress	454.10	1,288.20	1,041.72
	<b>11,720.79</b>	<b>13,408.80</b>	<b>10,903.69</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Particulars	Leasehold improvements	Buildings	Plant and equipment					Furniture and fixtures	Vehicles	Total
			Headend and distribution equipment	Set top boxes	Modems and routers	Computers	Office and other equipment			
<b>Deemed cost</b>										
Balance at 1 April, 2015	9.32	9.12	1,850.12	7,849.15	26.89	23.18	56.55	12.36	25.28	9,861.97
Additions	4.99	-	866.95	3,218.74	141.91	15.47	32.98	2.66	8.16	4,291.86
Disposals	-	-	(16.00)	(7.26)	(7.91)	(0.31)	-	(0.01)	(3.15)	(34.64)
<b>Balance at 31 March, 2016</b>	<b>14.31</b>	<b>9.12</b>	<b>2,701.07</b>	<b>11,060.63</b>	<b>160.89</b>	<b>38.34</b>	<b>89.53</b>	<b>15.01</b>	<b>30.29</b>	<b>14,119.19</b>
Additions	14.42	-	496.18	1,285.52	132.76	22.41	38.11	6.57	1.21	1,997.18
Disposals	-	(2.45)	(128.69)	(49.49)	(4.05)	(0.52)	(0.48)	(0.55)	(0.09)	(186.32)
<b>Balance at 31 March, 2017</b>	<b>28.73</b>	<b>6.67</b>	<b>3,068.56</b>	<b>12,296.66</b>	<b>289.60</b>	<b>60.23</b>	<b>127.16</b>	<b>21.03</b>	<b>31.41</b>	<b>15,930.05</b>
<b>Accumulated depreciation</b>										
Balance at 1 April, 2015	-	-	-	-	-	-	-	-	-	-
Depreciation expense	5.49	0.10	358.93	1,563.96	19.59	37.12	7.60	3.27	8.69	2,004.75
Elimination on disposals of assets	-	-	(2.78)	(2.24)	-	-	(0.03)	-	(1.11)	(6.16)
<b>Balance at 31 March, 2016</b>	<b>5.49</b>	<b>0.10</b>	<b>356.15</b>	<b>1,561.72</b>	<b>19.59</b>	<b>37.12</b>	<b>7.57</b>	<b>3.27</b>	<b>7.58</b>	<b>1,998.59</b>
Depreciation expenses	5.14	0.11	485.75	2,124.80	73.48	17.09	9.06	3.14	6.85	2,725.42
Elimination on disposals of assets	-	-	(9.47)	(46.43)	(4.05)	(0.46)	(0.19)	(0.02)	(0.03)	(60.65)
<b>Balance at 31 March, 2017</b>	<b>10.63</b>	<b>0.21</b>	<b>832.43</b>	<b>3,640.09</b>	<b>89.02</b>	<b>53.75</b>	<b>16.44</b>	<b>6.39</b>	<b>14.40</b>	<b>4,663.36</b>
<b>Carrying amount</b>										
Balance at 1 April, 2015	9.32	9.12	1,850.12	7,849.15	26.89	23.18	56.55	12.36	25.28	9,861.97
Additions	4.99	-	866.95	3,218.74	141.91	15.47	32.98	2.66	8.16	4,291.86
Disposals	-	-	(13.22)	(5.02)	(7.91)	(0.31)	0.03	(0.01)	(2.04)	(28.48)
Depreciation expense	5.49	0.10	358.93	1,563.96	19.59	37.12	7.60	3.27	8.69	2,004.75
<b>Balance at 31 March, 2016</b>	<b>8.82</b>	<b>9.02</b>	<b>2,344.92</b>	<b>9,498.91</b>	<b>141.30</b>	<b>1.22</b>	<b>81.96</b>	<b>11.74</b>	<b>22.71</b>	<b>12,120.60</b>
Additions	14.42	-	496.18	1,285.52	132.76	22.41	38.11	6.57	1.21	1,997.18
Disposals	-	(2.45)	(119.22)	(3.06)	-	(0.06)	(0.29)	(0.53)	(0.06)	(125.67)
Depreciation expense	5.14	0.11	485.75	2,124.80	73.48	17.09	9.06	3.14	6.85	2,725.42
<b>Balance at 31 March, 2017</b>	<b>18.10</b>	<b>6.46</b>	<b>2,236.13</b>	<b>8,656.57</b>	<b>200.58</b>	<b>6.48</b>	<b>110.72</b>	<b>14.64</b>	<b>17.01</b>	<b>11,266.69</b>

### Note:

Property, plant and equipment with a carrying amount of Rs. 7,505.05 million (as at 31 March, 2016: Rs. 7,803.70 million; as at 1 April, 2015: Rs. 5,499.98 million) has been pledged to secure term loans from banks and financial institutions under mortgage (see note 16, note 18 and note 20). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

In addition, the Group's obligations under finance leases (see note 16 and note 20) are secured by the lessors' title to the leased assets, which have a carrying amount of Rs. 938.48 million (as at 31 March, 2016: Rs. 1,167.24 million; as at 1 April, 2015: Rs. 1,394.05 million).

### 3B Other intangible assets

(Rs. in million)

Carrying amounts of :	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Distribution and network rights	97.20	98.55	88.48
Software	53.25	29.83	12.26
Licence fee for internet service	0.55	0.73	0.73
Brand	-	-	-
Non compete fees	0.42	0.63	0.63
	<b>151.42</b>	<b>129.74</b>	<b>102.10</b>



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Particulars	Distribution and network rights	Software	Licence fee for internet service	Brand	Non compete fees	Total
<b>Deemed cost</b>						
<b>Balance at 1 April, 2015</b>	<b>88.48</b>	<b>12.26</b>	<b>0.73</b>	-	<b>0.63</b>	<b>102.10</b>
Additions	59.22	24.68	-	-	-	83.90
Disposals	-	-	-	-	-	-
<b>Balance at 31 March, 2016</b>	<b>147.70</b>	<b>36.94</b>	<b>0.73</b>	-	<b>0.63</b>	<b>186.00</b>
Additions	48.98	38.95	-	78.49	-	166.42
Disposals	(16.33)	-	(0.13)	-	(0.19)	(16.65)
<b>Balance at 31 March, 2017</b>	<b>180.35</b>	<b>75.89</b>	<b>0.60</b>	<b>78.49</b>	<b>0.44</b>	<b>335.77</b>
<b>Accumulated depreciation</b>						
Balance at 1 April, 2015	-	-	-	-	-	-
Amortisation expense	49.15	7.11	-	-	-	56.26
Impairment losses recognised in profit or loss*	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March, 2016</b>	<b>49.15</b>	<b>7.11</b>	-	-	<b>0.03</b>	<b>56.26</b>
Amortisation expense	34.00	15.53	0.05	-	-	49.58
Impairment losses recognised in profit or loss*	-	-	-	78.49	-	78.49
Disposals	-	-	-	-	(0.02)	(0.02)
<b>Balance at 31 March, 2017</b>	<b>83.15</b>	<b>22.64</b>	<b>0.05</b>	<b>78.49</b>	<b>0.01</b>	<b>184.31</b>
<b>Carrying amount</b>						
<b>Balance at 1 April, 2015</b>	<b>88.48</b>	<b>12.26</b>	<b>0.73</b>	-	<b>0.63</b>	<b>102.10</b>
Additions	59.22	24.68	-	-	-	83.90
Amortisation expense	49.15	7.11	-	-	-	56.26
Impairment losses recognised in profit or loss*	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March, 2016</b>	<b>98.55</b>	<b>29.83</b>	<b>0.73</b>	-	<b>0.63</b>	<b>129.74</b>
Additions	48.98	38.95	-	78.49	-	166.42
Amortisation expense	34.00	15.53	0.05	-	-	49.58
Impairment losses recognised in profit or loss*	-	-	-	78.49	-	78.49
Disposals	(16.33)	-	(0.13)	-	(0.21)	(16.67)
<b>Balance at 31 March, 2017</b>	<b>97.20</b>	<b>53.25</b>	<b>0.55</b>	-	<b>0.42</b>	<b>151.42</b>

\* see note 28

#### 4. Investments in associates (see note 54)

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
<b>a. Unquoted investments in equity shares (all fully paid)</b>						
<b>Instruments at FVTPL</b>						
1 DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) (Face value of Rs. 10 each)	24,842,229	-	35,445,019	-	-	-
2 DEN ADN Network Private Limited (Face value of Rs. 10 each)	1,938,000	50.19	1,938,000	44.31	1,938,000	34.40
3 CCN DEN Network Private Limited (Face value of Rs. 10 each)	2,040,000	25.86	2,040,000	30.91	2,040,000	21.96

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
4 Den Satellite Network Private Limited (Face value of Rs. 10 each)	50,295	668.73	50,295	660.93	50,295	651.27
<b>Total aggregate unquoted investments</b>		<b>744.78</b>		<b>736.15</b>		<b>707.63</b>
<b>Total investments carrying value</b>		<b>744.78</b>		<b>736.15</b>		<b>707.63</b>
<b>Aggregate carrying value of unquoted investments</b>		744.78		736.15		707.63
<b>Aggregate amount of impairment in value of investments</b>		-		-		-

### 5. Investments in joint ventures (See note 49)

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
<b>i. Unquoted investments in equity shares (all fully paid)</b>						
<b>Instruments at FVTPL</b>						
1 Macro Commerce Private Limited (Face value of Rs. 10 each)	-	-	5,444,444	-	5,000,000	4.89
2 Star DEN Media Private Limited (Face value of Rs. 10 each)	-	-	-	-	2,500,000	425.98
<b>Total aggregate unquoted investments</b>	-	-	-	-	-	<b>430.87</b>
<b>Total investments carrying value</b>	-	-	-	-	-	<b>430.87</b>
<b>Aggregate carrying value of unquoted investments</b>	-	-	-	-	-	430.87
<b>Aggregate amount of impairment in value of investments</b>	-	-	-	-	-	-

### 6. Other financial assets

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>			
a. Security deposits	38.80	59.92	77.00
b. Advance for investments	142.64	188.05	460.29
Less: Impairment allowance for advance for investments	(60.63)	(77.69)	(55.05)
	82.01	110.36	405.24
c. Deposits with banks with more than 12 months maturity	-	-	2.76
d. Receivable on sale of property, plant and equipment			
- from related parties (See note 36)	12.74	43.28	-
- from others	28.65	21.42	-
	<b>162.20</b>	<b>234.98</b>	<b>485.00</b>
<b>Current</b>			
a. Security deposits	62.56	35.58	13.00
b. Unbilled revenue			
- from related parties (See note 36)	0.32	-	13.93
- from others	21.75	47.74	272.56
c. Interest accrued but not due on fixed deposits	83.77	123.08	302.61
d. Interest accrued and due (See note 36)			
- from related parties (See note 36)	42.47	30.45	0.38
- from others	-	0.35	0.35
e. Others			
i. Receivable on sale of property, plant and equipment			
- from related parties (See note 36)	-	-	44.30
- from others	0.08	20.93	7.90
ii. Advances recoverable	7.05	28.30	42.83
	<b>218.00</b>	<b>286.43</b>	<b>697.86</b>



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 7. Non current tax assets (net)

(Rs. in million)

Particulars		As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
(i)	Advance tax including TDS recoverable	1,453.68	1,423.86	1,202.26
(ii)	Less: Provision for income tax	249.70	139.70	123.22
		<b>1,203.98</b>	<b>1,284.16</b>	<b>1,079.04</b>

### 8. Loans

(Rs. in million)

Particulars		As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
<b>Current</b>				
(i)	Loans to related parties - Unsecured, considered good (see note 36)	256.44	448.93	243.69
(ii)	Loans to employees - Unsecured, considered good	1.75	1.97	2.59
(iii)	Loans to others - Unsecured			
	- considered good	442.41	280.22	128.34
	- doubtful	12.50	-	-
		<b>713.10</b>	<b>731.12</b>	<b>374.62</b>
	Less: Impairment allowance for loans	(12.50)	-	-
		<b>700.60</b>	<b>731.12</b>	<b>374.62</b>

#### Note:

The Group has provided certain short-term loans to its associates for working capital purposes and these loans are unsecured.

### 9. Other assets

(Rs. in million)

Particulars		As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>				
a.	Prepaid expenses	3.77	41.26	12.00
b.	Deposits against cases with			
	- Sales tax authority	122.24	72.12	57.54
	- Entertainment tax authorities	117.52	105.52	105.52
	- Entry tax authority	14.15	24.85	4.91
	- Custom duty authority	89.94	-	-
		343.85	202.49	167.97
	Less: Impairment allowance	(10.00)	-	-
		333.85	202.49	167.97
c.	Capital advances	255.30	96.85	169.74
	Less: Impairment allowance for capital advances	(202.03)	(62.67)	-
		53.27	34.18	169.74
		<b>390.89</b>	<b>277.93</b>	<b>349.71</b>
<b>Current</b>				
a.	Prepaid expenses	60.58	55.30	67.73
b.	Balance with government authorities			
	- CENVAT credit receivable	109.27	269.29	189.72
	- VAT credit receivable	24.93	24.73	25.00
	- Service tax credit receivable	394.57	451.63	184.62
	- Others	5.21	3.99	5.04

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Particulars		As at	As at	As at
		31.03.2017	31.03.2016	01.04.2015
c.	Others			
	- Supplier advances	-	-	-
	- Amount recoverable from DNL Employees Welfare Trust	0.36	0.36	0.36
	- Other advances	0.05	-	-
		<b>594.97</b>	<b>805.30</b>	<b>472.47</b>

### 10. Other investments

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of Units	(Rs. in million)	No. of Units	(Rs. in million)	No. of Units	(Rs. in million)
Investments in mutual funds - Unquoted						
<b>Carried at FVTPL</b>						
i.	Birla Sun Life Cash Plus - Growth	-	1,471,676	357.28	-	-
ii.	IDFC Cash Fund Growth - (Regular Plan)*	-	-	-	221,644	376.57
iii.	Birla Sunlife Fixed Term Plan - Series IU (527 days) - Gr. Regular	-	-	-	20,000,000	224.79
iv.	DWS Fixed maturity plan series 49 - Regular Plan - Growth	-	-	-	10,642,488	117.56
v.	HDFC FMP 538D November 2013(1) series 28-Regular-Growth	-	-	-	5,000,000	56.23
vi.	L&T FMP Series 9-Plan E-Growth	-	-	-	20,000,000	225.29
vii.	ICICI Prudential FMP Series 71-525 days plan D regular plan cumulative	-	-	-	5,000,000	56.16
viii.	L&T FMP Series 10 - Plan H - Growth	-	-	-	5,000,000	55.33
ix.	SBI Debt Fund Series - 18 Month 13 - Regular - Growth	-	-	-	20,000,000	225.79
x.	Reliance Liquid Fund - treasury plan- direct plan growth plan - growth option-LFAG	26,737	106.07	-	-	-
xi.	DSP Blackrock Liquidity Fund direct plan-Growth	69,096	160.72	-	-	-
	<b>Total aggregate unquoted investments</b>	<b>95,833</b>	<b>266.79</b>	<b>1,471,676</b>	<b>357.28</b>	<b>85,864,132</b>
	<b>Aggregate carrying value of unquoted investments</b>		266.79		357.28	1,337.72
	<b>Aggregate amount of impairment in value of investments</b>		-		-	-

\* As at 31 March, 2017 - Nil units with carrying value of Rs. Nil (As at 31 March, 2016 - Nil units with carrying value of Rs. Nil; as at 1 April, 2015- 221,644 units with carrying value of Rs. 376.57 million) were under lien with Infrastructure Development Finance Company Limited (IDFC) against term loans taken by the Group.

### 11. Trade receivables

Particulars		(Rs. in million)		
		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>				
Trade receivables [See notes below]				
(a)	Unsecured, considered good	2,402.27	2,625.62	2,794.86
(b)	Doubtful	2,697.51	2,553.56	1,437.11
		5,099.78	5,179.18	4,231.97
Less:	Allowance for doubtful debts (expected credit loss allowance)	(2,697.51)	(2,553.56)	(1,437.11)
		<b>2,402.27</b>	<b>2,625.62</b>	<b>2,794.86</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### Notes:

- a) The average credit period on sales of services is 90-180 days. No interest is charged on any overdue trade receivables.
- b) The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected credit loss (%)
0 - 90 days	0% to 5%
91 - 180 days	0% to 100%
180 days and above	50% to 100%

(Rs. in million)

Particulars	As at 31.3.2017	As at 31.3.2016	As at 1.4.2015
<b>Age of receivables</b>			
0 - 90 days	1,529.94	1,553.76	1,353.92
91 - 180 days	1,784.93	1,760.92	1,396.23
180 days and above	1,784.91	1,864.50	1,481.82
	<b>5,099.78</b>	<b>5,179.18</b>	<b>4,231.97</b>

### c) Movement in the expected credit loss allowance

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016
Balance at the beginning of the year	(2,553.56)	(1,437.11)
Movement in expected credit loss allowance	(143.95)	(1,116.45)
<b>Balance at the end of the year</b>	<b>(2,697.51)</b>	<b>(2,553.56)</b>

- d) The concentration of credit risk is limited due to the fact that the customer base is large.

## 12. Cash and cash equivalents

### A Cash and cash equivalents

(Rs. in million)

Particulars	As at 31.3.2017	As at 31.3.2016	As at 1.4.2015
(i) Cash in hand	78.76	139.86	109.49
(ii) Cheques on hand	1.73	87.72	1.41
(iii) Balance with scheduled banks			
- in current accounts	632.54	1,098.71	1,164.00
- in deposit accounts			
- original maturity of 3 months or less	154.97	278.79	0.05
	<b>868.00</b>	<b>1,605.08</b>	<b>1,274.95</b>

- B The details of Specified Bank Notes (SBNs) and other denomination notes, as defined in the MCA notification G.S.R. 308(E) dated 30 March, 2017, held and transacted during the period from 8 November, 2016 to 30 December, 2016 is provided in the table below:

Particulars	SBNs*	Other denomination notes	Total
	(in Rs.)	(in Rs.)	(in Rs.)
Closing cash in hand as on 8 November, 2016	322,817,889	16,826,730	339,644,619
Add: Permitted receipts	-	260,825,652	260,825,652
Less: Permitted payments	785,500	13,606,167	14,391,667
Less: Amount deposited in banks	322,032,389	191,387,396	513,419,785
Closing cash in hand as on 30 December, 2016	-	<b>72,658,819</b>	<b>72,658,819</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

\* For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November, 2016.

### 13. Bank balances other than cash and cash equivalents

(Rs. in million)

Particulars		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i.	in deposit accounts*			
-	original maturity more than 3 months	485.70	993.31	4,421.40
ii.	in earmarked accounts			
-	Balances held as margin money or security against borrowings, guarantees and other commitments	1,905.70	2,542.20	2,250.22
		<b>2,391.40</b>	<b>3,535.51</b>	<b>6,671.62</b>
	* Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date	-	11.95	72.52

### 14. Equity share capital

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Equity share capital	1,935.68	1,777.42	1,777.42
	<b>1,935.68</b>	<b>1,777.42</b>	<b>1,777.42</b>
<b>Authorised share capital:</b>			
200,000,000 (As at 31 March, 2016: 200,000,000; as at 1 April, 2015: 200,000,000) equity shares of Rs. 10 each with voting rights	2,000.00	2,000.00	2,000.00
<b>Issued and subscribed capital comprises:</b>			
194,025,845 (As at 31 March, 2016: 178,199,806; as at 1 April, 2015: 178,199,806) equity shares of Rs. 10 each fully paid up with voting rights	1,940.26	1,782.00	1,782.00
Less : Amount recoverable from DNL Employees Welfare Trust [457,931 (As at 31 March, 2016: 457,931; as at 1 April, 2015: 457,931) number of shares issued to Trust @ Rs. 10 per share]	4.58	4.58	4.58
	<b>1,935.68</b>	<b>1,777.42</b>	<b>1,777.42</b>

#### Fully paid equity shares:

	Number of shares	Share capital (Rs. in million)
Balance as at 1 April, 2015	178,199,806	1,782.00
Add: Issue of shares	-	-
<b>Balance as at 31 March, 2016</b>	<b>178,199,806</b>	<b>1,782.00</b>
Add: Issue of shares [See note 44]	15,826,039	158.26
<b>Balance as at 31 March, 2017</b>	<b>194,025,845</b>	<b>1,940.26</b>

Of the above:

- Fully paid equity shares, which have a par value of Rs. 10, carry one vote per share and carry a right to dividends.
- 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 in 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.
- Share options granted under the Company's employee share option plan (See note 37):**

As at 31 March, 2017 11,053,394 shares (As at 31 March, 2016: 11,053,394 shares; as at 1 April, 2015: 11,053,394 shares) were reserved for issuance as follows:

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

- (i) 2,143,404 shares (As at 31 March, 2016: 2,143,404 shares; as at 1 April, 2015: 2,143,404 shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan 2010 [see note 37], and
- (ii) 8,909,990 shares (As at 31 March, 2016: 8,909,990 shares; as at 1 April, 2015: 8,909,990 shares) of Rs. 10 each towards outstanding employee stock options granted under Employee Stock Option Plan-B 2014. [see note 37]

### f. Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Fully paid equity shares with voting rights:</b>				
Sameer Manchanda	46,654,550	24.05%	46,654,550	26.18%
The Goldman Sachs, Inc. (through affiliates)	47,535,423	24.49%	31,709,384	17.79%
Lucid Systems Private Limited	16,000,000	8.25%	16,000,000	8.98%
Acacia Banyan Partners (directly/ through affiliates)	12,940,300	6.67%	12,940,300	7.26%
Infrastructure Leasing & Financial Services Limited (directly/ through affiliates)	13,364,861	6.89%	13,364,861	7.50%

	As at 01.04.2015	
	No. of Shares	% Holding
<b>Fully paid equity shares with voting rights:</b>		
Sameer Manchanda	46,654,550	26.18%
The Goldman Sachs, Inc. (through affiliates)	31,709,384	17.79%
Lucid Systems Private Limited	16,000,000	8.98%
Acacia Banyan Partners (directly/ through affiliates)	11,000,000	6.17%
Infrastructure Leasing & Financial Services Limited (directly/ through affiliates)	13,364,861	7.50%

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

### 15. Other equity

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Securities premium account	16,376.90	15,127.09	15,127.09
Share options outstanding account	168.24	61.22	8.67
General reserve	216.94	216.94	208.69
Surplus / (Deficit) in the Consolidate Statement of Profit and Loss	(9,581.93)	(7,485.59)	(3,216.05)
	<b>7,180.15</b>	<b>7,919.66</b>	<b>12,128.40</b>

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>a. Securities premium account</b>		
i. Opening balance	15,136.25	15,136.25
ii. Add : Premium on shares issued during the year [See note 44]	1,266.08	-
iii. Less : Utilised during the year for writing off share issue expenses	(16.27)	-
iv. Closing balance	<b>16,386.06</b>	<b>15,136.25</b>
v. Less : Amount recoverable from DNL Employees Welfare Trust [457,931 (As at 31 March, 2016: 457,931; As at 1 April, 2015: 457,931) number of shares issued to trust @ Rs. 20 per share]	(9.16)	(9.16)
	<b>(A) 16,376.90</b>	<b>15,127.09</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Particulars		Year ended 31.03.2017	Year ended 31.03.2016
<b>b.</b>	<b>Share options outstanding account</b>		
	Employees stock option outstanding	61.22	8.67
	Add : ESOP compensation expense	107.02	52.55
	(B)	<b>168.24</b>	<b>61.22</b>
<b>c.</b>	<b>General reserve</b>		
i.	Opening balance	216.94	208.69
ii.	Add : Addition/(deletion)	-	8.25
iii.	Closing balance	<b>216.94</b>	<b>216.94</b>
	(C)		
<b>d.</b>	<b>Surplus / (Deficit) in the Consolidated Statement of Profit and Loss</b>		
i.	Opening balance	(7,485.59)	(3,216.05)
ii.	Add: Profit / (Loss) for the year	(2,101.83)	(4,315.02)
iii.	Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	5.49	1.65
iv.	Adjustment on disposal / dilution of stake in subsidiary / joint ventures	-	62.30
v.	Less : Dividend distribution tax	-	(18.47)
vi.	Closing balance	<b>(9,581.93)</b>	<b>(7,485.59)</b>
	(D)		
	<b>(A+B+C+D)</b>	<b>7,180.15</b>	<b>7,919.66</b>

### 16. Borrowings

#### At amortised cost:

(Rs. in million)

Particulars		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
a.	Term loans (Secured)			
i.	from banks [see footnote i]	1,100.39	1,003.46	298.35
ii.	from financial institution [see footnote ii]	-	400.00	800.00
iii.	from other parties [see footnote iii]	428.16	1,042.69	1,198.79
b.	Long-term maturities of finance lease obligations [see note 33] (Secured by hypothecation of assets purchased under finance lease agreement and payable in equal monthly installments. Applicable rate of interest is 8.55% to 9% per annum)	-	501.51	1,054.35
c.	Other loans			
-	Vehicle Loans (Secured by hypothecation of vehicles and payable in equal monthly installments. The loan is repayable in 1 to 24 installments ending in March, 2018. Applicable rate of interest is 9.71% to 10.96% per annum)	2.98	6.28	8.89
-	Buyers credit on imports [see footnote iv]	346.98	306.99	-
-	Non cumulative redeemable preference shares (0.001% non-cumulative 12 years redeemable preference shares issued on 30 March, 2008 of Rs. 10 each)	-	14.99	13.20
d.	Unsecured loan [see footnote v]	1.19	1.14	2.49
		<b>1,879.70</b>	<b>3,277.06</b>	<b>3,376.07</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The terms of repayment and security of term loans and other loans are stated below\*:

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
<b>As at 31 March, 2017</b>					
<b>Footnotes i.</b>					
Term loan from bank	-	76.69	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 1 quarterly installment in April, 2017 .	11.75%
Term loan from bank	66.59	133.18	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018.	12.30%
Term loan from bank	66.02	132.04	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 6 quarterly installments from June, 2017 and ending in September, 2018.	12.30%
Term loan from bank	-	17.37	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on entire current assets of the Parent.	Repayable in 2 quarterly installments from June, 2017 to September, 2017.	12.30%
Term loan from bank	482.97	53.66	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. The loan is further secured by pledge of 5.50 million equity shares of the Company held by the promoter.	Repayable in 20 quarterly installments commencing from December, 2017 and ending in September, 2022.	11.00%
Term loan from bank	45.55	165.98	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 5 quarterly installments from June, 2017 and ending in June, 2018.	12.30%
Term loan from bank	436.43	229.68	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and first pari passu charge on all current assets of the Parent. The loan is further secured by pledge of shares held by the Parent in its subsidiaries (upto 30% of share capital of subsidiaries) and pledge of 2.70 million equity shares of the Parent held by promoter.	Repayable in 11 quarterly installments from April, 2017 and ending in October, 2019.	11.50%
Term loan from bank	2.83	1.14	Secured by first pari passu charge on property, plant and equipment of the subsidiary Company (existing and proposed) and second charge on the current assets of the subsidiary Company. Also, the loan is further guaranteed by the promoters of Den FK Cable Network Private Limited.	Repayable in 18 quarterly installments from April, 2017 and ending in October, 2021.	13.25%
<b>Sub-total (A)</b>	<b>1,100.39</b>	<b>809.74</b>			
<b>Footnotes ii.</b>					
Term loan from financial institution	-	-			

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Particulars	Amount outstanding*		Security	Terms of repayment/ redemption	Rate of interest/ effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
<b>Sub-total (B)</b>	-	-			
<b>Footnotes iii.</b>					
Term loan from others	428.16	614.52	This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement.	Repayable in 34 monthly installments from April, 2017 and ending in January, 2020.	8.55%
<b>Sub-total (C)</b>	<b>428.16</b>	<b>614.52</b>			
<b>Footnotes iv.</b>					
Buyers credit on imports	346.98	-	Secured by first pari passu charge on property, plant and equipment of the Company existing and proposed and second pari passu charge on all current assets of the Company.	Repayable in January, 2019.	1.21% to 1.94%
<b>Sub-total (D)</b>	<b>346.98</b>	-			
<b>Total (A+B+C+D)</b>	<b>1,875.53</b>	<b>1,424.26</b>			
<b>As at 31 March, 2016</b>					
<b>Footnotes i.</b>					
Term loan from bank	73.21	305.58	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 5 quarterly installments commencing from April, 2016 and ending in April, 2017.	11.95%
Term loan from bank	397.83	257.24	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 10 quarterly installments commencing from June, 2016 and ending in September, 2018.	12.50%
Term loan from bank	28.95	23.16	Secured by first pari passu charge on entire property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on entire current assets of the Parent.	Repayable in 9 quarterly installments commencing from April, 2016 and ending in April, 2018.	11.80%
Term loan from bank	355.59	-	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent. The loan is further secured by pledge of 5.50 million shares of the Parent held by the promoter.	Repayable in 20 quarterly installments commencing from March, 2018 and ending in December, 2022.	11.20%
Term loan from bank	62.23	49.60	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 8 quarterly installments commencing from June, 2016 and ending in September, 2018.	12.50%
Term loan from bank	84.00	-	Secured by first pari passu charge on property, plant and equipment of a subsidiary company and secured by pari passu charge of all current assets of the subsidiary Company. The loan is further guaranteed by security of the director of subsidiary company and bank guarantee by Parent.	Repayable in 6 quarterly installments commencing from April, 2016 and ending in September, 2017.	13.70%



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Particulars	Amount outstanding*		Security	Terms of repayment/redemption	Rate of interest/effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
Term loan from bank	1.65	-	Secured by first pari passu charge on property, plant and equipment of a subsidiary company and second pari passu charge of all current assets of the Parent. The loan is further guaranteed by security of the director of subsidiary company.	Repayable in 18 monthly installments commencing from April, 2016 and ending in September, 2017.	12.70%
<b>Sub-total (A)</b>	<b>1,003.46</b>	<b>635.58</b>			
<b>Footnotes ii.</b>					
Term loan from financial institution	400.00	400.00	Secured by first pari passu charge on property, plant and equipment (existing and proposed) and on all current assets of the Parent. Further, the loan is secured by pledge of shares held by the Parent in its Subsidiaries (existing and proposed).	Repayable in 8 quarterly installments commencing from May, 2016 and ending in February, 2018.	11.15%
<b>Sub-total (B)</b>	<b>400.00</b>	<b>400.00</b>			
<b>Footnotes iii.</b>					
Term loan from others	1,042.69	785.22	This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement.	Repayable in 47 equal monthly installments commencing from April, 2015 and ending in February, 2019.	8.55%
<b>Sub-total (C)</b>	<b>1,042.69</b>	<b>785.22</b>			
<b>Footnotes iv.</b>					
Buyers credit on imports	306.99	-	Secured by first pari passu charge on property, plant and equipment of the Company existing and proposed and second pari passu charge on all current assets of the Company.	Repayable in January, 2019.	1.21%
<b>Sub-total (D)</b>	<b>306.99</b>	<b>-</b>			
<b>Total (A+B+C+D)</b>	<b>2,753.14</b>	<b>1,820.80</b>			

### As at 1 April, 2015

<b>Footnotes i.</b>					
Term loan from bank	-	54.81	Secured by first pari passu charge on property, plant and equipment of the Parent (existing and proposed) and second pari passu charge on all current assets of the Parent.	Repayable in 2 quarterly installments commencing from June, 2015 and ending in September, 2015.	14.50%
Term loan from bank	-	184.88	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company. This loan is further guaranteed by Mr. Sameer Manchanda (Chairman and Managing Director of the Company).	Repayable in 4 quarterly installments commencing from April, 2015 and ending in January, 2016.	13.00%
Term loan from bank	78.18	65.00	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 9 quarterly installments commencing from April, 2015 and ending in April, 2017.	13.00%

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Particulars	Amount outstanding*		Security	Terms of repayment/ redemption	Rate of interest/ effective interest rate (per annum)
	Long-term debts (Rs. in million)	Current maturities of long-term debts (Rs. in million)			
Term loan from bank	133.30	48.61	Secured by first pari passu charge on property, plant and equipment of the Company (existing and proposed) and second pari passu charge on all current assets of the Company.	Repayable in 10 quarterly installments commencing from June, 2015 and ending in September, 2018.	13.00%
Term loan from bank	84.39	-	Secured by first pari passu charge on entire property, plant and equipment of the Company (existing and proposed) and second pari passu charge on entire current assets of the Company.	Repayable in 8 quarterly installments commencing from April, 2016 and ending in January, 2018.	12.30%
Term loan from bank	2.48	-	Secured by first pari passu charge on property, plant and equipment of a subsidiary company and second pari passu charge of all current assets of the subsidiary Company. The loan is further guaranteed by security of the director of subsidiary company and bank guarantee by Parent.	Repayable in 24 quarterly instalments commencing from October, 2015 and ending in September, 2021.	13.25%
<b>Sub-total (A)</b>	<b>298.35</b>	<b>353.30</b>			
<b>Footnotes ii.</b>					
Term loan from financial institution	800.00	400.00	Secured by first pari passu charge on property, plant and equipment (existing and proposed) and on all current assets of the Parent. Further, the loan is secured by pledge of shares held by the Parent in its Subsidiaries (existing and proposed).	Repayable in 12 quarterly installments commencing from May, 2015 and ending in March, 2018.	11.50%
<b>Sub-total (B)</b>	<b>800.00</b>	<b>400.00</b>			
<b>Footnotes iii.</b>					
Term loan from others	1,198.79	905.43	This term loan from Cisco Systems Capital India Private Limited is secured by first and exclusive charge in respect of the property, plant and equipment acquired under the loan agreement.	Repayable in 47 equal monthly installments commencing from April, 2015 and ending in February, 2019.	8.55%
<b>Sub-total (C)</b>	<b>1,198.79</b>	<b>905.43</b>			
<b>Footnotes iv.</b>					
Buyers credit on imports	-	-			
<b>Sub-total (D)</b>	<b>-</b>	<b>-</b>			
<b>Total (A+B+C+D)</b>	<b>2,297.14</b>	<b>1,658.73</b>			



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016	
	Long-Term debts	Current maturities of long-term debts	Long-Term debts	Current maturities of long-term debts
<b>Footnote v</b>				
<b>Unsecured</b>				
<b>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 8 monthly installments from April, 2017 and ending in November, 2017. Applicable rate of interest is 8.55% per annum.	1.19	1.14	1.14	1.71
	<b>1.19</b>	<b>1.14</b>	<b>1.14</b>	<b>1.71</b>

(Rs. in million)

Particulars	As at 01.04.2015	
	Long-Term debts	Current maturities of long-term debts
<b>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% per annum.	2.49	2.59
	<b>2.49</b>	<b>2.59</b>

\*The above amounts include adjustment of loan processing fees to determine the amounts under the effective interest rate method.

### 17. Provisions

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>			
a. Employee benefits [See note 34]			
- Gratuity	88.80	82.00	65.75
	<b>88.80</b>	<b>82.00</b>	<b>65.75</b>
<b>Current</b>			
a. Employee benefits [See note 34]			
- Compensated absences	48.86	43.99	31.39
- Gratuity	2.94	4.23	2.83
b. Other provisions			
- Wealth tax [net of advance tax]	-	0.10	0.11
- Others	-	4.48	-
	<b>51.80</b>	<b>52.80</b>	<b>34.33</b>

### 18. Borrowings

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Secured at amortised cost</b>			
a. Loans repayable on demand (Secured)			
- from banks [See footnote i below]	530.80	257.49	492.94
b. Other loans			
- Unsecured [see foot note v of note 16]	2.98	7.47	5.48
- Buyers credit on imports [See footnote ii below]	693.92	2,588.34	3,347.20
	<b>1,227.70</b>	<b>2,853.30</b>	<b>3,845.62</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The terms of repayment and security of loans repayable on demand and buyers credits on imports are stated below:

Particulars	Borrowings-current (Rs. in million)	Security	Terms of repayment/ redemption	Rate of interest/ effective interest rate (per annum)
<b>As at 31 March, 2017</b>				
<b>Footnotes i.</b>				
Loans repayable on demand- from bank	530.80	Secured by first pari passu charge on current assets of the Parent and subsidiary company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Parent and subsidiary company (existing and proposed).	Repayable on demand.	10.70% to 11.00%
<b>Footnotes ii.</b>				
Buyers credit on imports	693.92	Secured by first pari passu charge on property, plant and equipment of the Parent and subsidiary company (existing and proposed) and second pari passu charge on all current assets of the Parent and subsidiary company (existing and proposed).	Repayable from April, 2017 to November, 2017	1.53% to 2.19%
<b>As at 31 March, 2016</b>				
<b>Footnotes i.</b>				
Loans repayable on demand- from bank	257.49	Secured by first pari passu charge on current assets of the Parent and subsidiary company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Parent and subsidiary company (existing and proposed).	Repayable on demand.	10.70% to 11.00%
<b>Footnotes ii.</b>				
Buyers credit on imports	2,588.34	Secured by first pari passu charge on property, plant and equipment of the Parent and subsidiary company (existing and proposed) and second pari passu charge on all current assets of the Parent and subsidiary company (existing and proposed).	Repayable from April, 2016 to February, 2017	1.02% to 1.64%
<b>As at 1 April, 2015</b>				
<b>Footnotes i.</b>				
Loans repayable on demand- from bank	492.94	Secured by first pari passu charge on current assets of the Parent and subsidiary company (existing and proposed) and second pari passu charge on all property, plant and equipment of the Parent and subsidiary company (existing and proposed).	Repayable on demand.	10.70% to 11.00%
<b>Footnotes ii.</b>				
Buyers credit on imports	3,347.20	Secured by first pari passu charge on property, plant and equipment of the Parent and subsidiary company (existing and proposed) and second pari passu charge on all current assets of the Parent and subsidiary company (existing and proposed).	Repayable from April, 2015 to January, 2016	0.72% to 1.08%

### 19. Trade payables

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Trade payables - Other than acceptances			
- total outstanding dues of micro enterprises and small enterprises [see note 50]	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	3,328.83	2,865.38	2,061.22
	<b>3,328.83</b>	<b>2,865.38</b>	<b>2,061.22</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 20. Other financial liabilities

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>			
Security deposits received	5.50	3.21	3.53
	<b>5.50</b>	<b>3.21</b>	<b>3.53</b>
<b>Current</b>			
a. Current maturities of long term debt [see footnote i below]	1,424.26	1,820.80	1,658.73
b. Current maturities of finance lease obligations [see footnote i below and note 33]	501.51	581.84	529.54
c. Current maturities of other secured loans [see footnote i below]	2.97	3.57	4.36
d. Current maturities of other unsecured loans [see footnote v of note 16]	1.14	1.71	2.59
e. Non cumulative redeemable preference shares [see footnote i below]	17.01	-	-
f. Interest accrued but not due on borrowings	28.35	53.83	61.03
g. Others			
i. Balance consideration payable on investments	6.74	7.30	7.23
ii. Payables on purchase of property, plant and equipment	565.29	1,121.48	373.82
iii. Book overdraft	181.94	374.15	446.09
iv. Security deposits received	8.70	10.62	13.09
	<b>2,737.91</b>	<b>3,975.30</b>	<b>3,096.48</b>

#### Footnotes :

i. See note 16 (Non-current borrowings) for details of security, guarantees and repayment

### 21. Other liabilities

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
<b>Non-current</b>			
a. Deferred revenue	3,915.32	3,897.48	2,378.87
b. Other payables			
i. Advances from customers	-	-	0.85
ii. Others	-	-	0.37
	<b>3,915.32</b>	<b>3,897.48</b>	<b>2,380.09</b>
<b>Current</b>			
a. Deferred revenue	1,161.00	1,067.99	797.12
b. Statutory remittances	277.76	609.76	531.70
c. Other payables			
i. Advances from customers	36.32	81.64	59.05
ii. Others	284.92	-	8.58
	<b>1,760.00</b>	<b>1,759.39</b>	<b>1,396.45</b>

### 22. Current tax liabilities (net)

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
a. Income tax payable	872.71	1,307.26	1,289.69
b. Less: Advance tax	797.81	1,168.37	1,232.80
	<b>74.90</b>	<b>138.89</b>	<b>56.89</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 23. Revenue from operations

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Sale of services (see note below)	11,144.95	9,391.13
b.	Other operating revenue		
i.	Commission income	95.00	-
ii.	Liabilities/ excess provisions written back (net)	213.41	72.34
iii.	Miscellaneous income	120.04	11.54
		<b>11,573.40</b>	<b>9,475.01</b>

#### Note:

Sale of services comprises:

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Placement income	3,505.58	3,713.43
b.	Subscription income	5,444.38	4,043.86
c.	Activation income	859.30	546.82
d.	Feeder charges income	343.60	279.14
e.	Internet revenue	810.22	396.25
f.	Other revenue	181.87	411.63
		<b>11,144.95</b>	<b>9,391.13</b>

### 24. Other income

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
i.	on bank deposits (amortised cost)	245.59	440.50
ii.	on financial assets carried at amortised cost	5.00	44.18
iii.	on income tax refund	80.92	33.40
b.	Dividend income from current investments in mutual funds	0.05	-
c.	Other gains and losses		
i.	Net gain on foreign currency transactions and translation	45.24	-
ii.	Net gain on sale of current investments (other than non trade and unquoted)	32.38	65.59
		<b>409.18</b>	<b>583.67</b>

### 25. Employee benefits expense

(Rs. in million)

Particulars		Year ended	Year ended
		31.03.2017	31.03.2016
a.	Salaries and allowances	1,014.96	1,029.53
b.	Contribution to provident and other funds [See note 34]	49.89	52.95
c.	Gratuity expense [See note 34]	15.73	26.37
d.	Share-based payments to employees [see note 37]	107.02	52.55
e.	Staff welfare expenses	46.09	68.70
		<b>1,233.69</b>	<b>1,230.10</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 26. Finance costs

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
a. Interest costs		
i. Interest on bank overdraft and loans	590.37	727.23
b. Other borrowing costs	61.25	63.64
	<b>651.62</b>	<b>790.87</b>

### 27. Other expenses

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
a. Distributor commission/ incentive	447.95	235.16
b. Rent and hire charges [See note 32]	245.52	227.72
c. Repairs and maintenance		
i. Plant and equipment	209.63	465.11
ii. Others	93.44	105.49
d. Power and fuel	172.41	182.49
e. Director's sitting fees	1.15	1.03
f. Legal and professional charges*	186.75	727.49
g. Expenditure on corporate social responsibility [See note 47]	9.90	11.62
h. Contract service charges	404.94	242.77
i. Printing and stationery	8.87	14.12
j. Travelling and conveyance	100.46	181.36
k. Advertisement, publicity and business promotion	59.10	163.95
l. Communication expenses	110.71	74.29
m. Leaseline expenses	595.54	444.78
n. Security charges	19.99	26.98
o. Freight and labour charges	10.96	14.50
p. Insurance	4.93	12.34
q. Rates and taxes	109.48	110.24
r. Allowance on trade receivables and advances**	370.70	713.72
s. Property, plant and equipment/ capital work-in-progress written off	-	1.00
t. Provision for capital-work-in-progress	19.53	28.62
u. Loss on sale/ disposal of property, plant and equipment (net)	2.86	8.21
v. Miscellaneous expenses	131.98	106.08
	<b>3,316.80</b>	<b>4,099.07</b>

\* Legal and professional charges includes payment to auditor's (net of service tax input credit):

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
a. To statutory auditors		
For audit	6.95	6.95
For other services	3.94	4.36
Reimbursement of expenses	0.31	0.13
	11.20	11.44
b. To cost auditors for cost audit	0.05	0.05
	<b>11.25</b>	<b>11.49</b>

\*\* Allowance on trade receivables and advances

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
a. Doubtful trade receivables and advances written off	323.44	152.67
b. Allowance on trade receivables and advances written back	(323.44)	-
	-	152.67
c. Allowance on trade receivables and advances	370.70	561.05
	<b>370.70</b>	<b>713.72</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 28. Exceptional items [See note 45]

(Rs. in million)

Particulars		Year ended 31.03.2017	Year ended 31.03.2016
a.	Allowance on trade receivables and advances	-	906.40
b.	Provision for impairment of goodwill on consolidation and intangible assets (brand)	250.18	159.70
c.	Restructuring expenses	56.63	-
		306.81	1,066.10
d.	Less: Profit on disposal of non-current investments in subsidiary and joint venture	-	416.50
		<b>306.81</b>	<b>649.60</b>

### 29. Income tax recognised in the Consolidated Statement of Profit and Loss

(Rs. in million)

Particulars		Year ended 31.03.2017	Year ended 31.03.2016
<b>(a)</b>	<b>Current tax</b>		
	In respect of current year	321.19	322.33
	In respect of prior years	-	-
		321.19	322.33
<b>(b)</b>	<b>Deferred tax [See note 29d]</b>		
	In respect of current year	8.67	(104.14)
	Write-downs (reversals of previous write-downs) of deferred tax assets	-	-
		8.67	(104.14)
	Total tax expense/(Income) recognised in Consolidated Statement of Profit and Loss	329.86	218.19
<b>(c)</b>	<b>The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
	Profit/(Loss) before tax	(1,565.83)	(4,094.81)
	Less:		
	Share of profit / (loss) of associates	(29.71)	34.07
	Share of profit / (loss) of joint ventures	-	(89.69)
		<b>(1,536.12)</b>	<b>(4,039.19)</b>
	Income tax expense calculated at 34.608%	(531.62)	(1,397.88)
	Effect of income that is exempt from taxation	(0.63)	(23.38)
	Effect of expenses that are not deductible in determining taxable profit	116.35	327.23
	Effect of unused tax losses, timing difference and tax offsets not recognised as deferred tax asset	722.92	1,273.99
	Effect on deferred tax balances due to the change in income tax rates	1.10	30.41
	Others (net)	21.74	7.82
		329.86	218.19
	Adjustments recognised in the current year in relation to the current tax of prior years	-	-
	Income tax expense recognised in profit or loss	329.86	218.19
	The tax rate used for the 2016-2017 and 2015-2016 reconciliations above is the corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax law.		



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 29. Current tax and deferred tax

#### (d) Movement in deferred tax

##### (i) For the year ended 31 March, 2017

(Rs. in million)

Particulars	Year ended 31.03.2017		
	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>			
Property, plant and equipment and other intangible assets	(8.08)	-	(8.08)
Provision for employee benefits	0.12	-	0.12
Deferred revenue	2.47	-	2.47
Other items	(0.10)	2.19	2.09
	<b>(5.59)</b>	<b>2.19</b>	<b>(3.40)</b>
<u>Tax effect of items constituting deferred tax assets</u>			
MAT credit entitlement	29.94	(0.60)	29.34
Property, plant and equipment and other intangible assets	(43.93)	(10.26)	(54.19)
Provision for employee benefits	3.63	-	3.63
Allowance on trade receivables, advances and impairment	347.36	-	347.36
Deferred revenue	317.14	-	317.14
Share issue expenses	52.24	-	52.24
Other items	100.88	-	100.88
	<b>807.26</b>	<b>(10.86)</b>	<b>796.40</b>
<b>Net tax asset/(liabilities)</b>	<b>801.67</b>	<b>(8.67)</b>	<b>793.00</b>

##### (ii) Movement of deferred tax for 31 March, 2016

(Rs. in million)

Particulars	Year ended 31.03.2016		
	Opening Balance	Recognised in the Consolidated Statement of Profit and Loss	Closing balance
<u>Tax effect of items constituting deferred tax liabilities</u>			
Property, plant and equipment and other intangible assets	(8.08)	-	(8.08)
Provision for employee benefits	-	0.12	0.12
Deferred revenue	2.47	-	2.47
Other items	(0.10)	-	(0.10)
	<b>(5.71)</b>	<b>0.12</b>	<b>(5.59)</b>
<u>Tax effect of items constituting deferred tax assets</u>			
MAT credit entitlement	34.03	(4.09)	29.94
Property, plant and equipment and other intangible assets	(42.41)	(1.52)	(43.93)
Provision for employee benefits	(9.22)	12.85	3.63
Allowance on trade receivables, advances and impairment	337.67	9.69	347.36
Deferred revenue	223.66	93.48	317.14
Share issue expenses	56.99	(4.75)	52.24
Other items	102.52	(1.64)	100.88
	<b>703.24</b>	<b>104.02</b>	<b>807.26</b>
<b>Net tax asset/(liabilities)</b>	<b>697.53</b>	<b>104.14</b>	<b>801.67</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 29. Current tax and deferred tax

#### (e) Unrecognised deductible temporary differences, unused tax losses and unused tax credits

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following (refer note below):			
- tax losses (revenue in nature)	1,891.10	1,019.53	602.23
- deductible temporary differences			
i. Property, plant and equipment and other intangible assets	199.75	-	-
ii. Provision for employee benefits	20.18	16.59	8.88
iii. Allowance on trade receivables, advances and impairment	684.88	589.35	169.51
iv. Deferred revenue	1,437.20	1,398.84	953.39
v. Share issue expenses	4.50	-	-
vi. Other items	154.05	81.37	-
	<b>4,391.66</b>	<b>3,105.68</b>	<b>1,734.01</b>

#### Note:

Detail of temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the Consolidated Balance Sheet:

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Deferred tax assets with no expiry date	2,500.56	2,086.15	1,131.78
Deferred tax assets with expiry date*	1,891.10	1,019.53	602.23
	<b>4,391.66</b>	<b>3,105.68</b>	<b>1,734.01</b>

\* These would expire between financial year ended 31 March, 2020 and 31 March, 2025.

### 30. Commitments and contingent liabilities

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>a. Commitments</b>			
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	518.91	703.07	459.00
<b>b. Contingent liabilities*</b>			
<b>i) Claims against the Group not acknowledged as debts**</b>			
Income tax disputes where the Group is in appeal	1.02	17.33	1.53
Service tax disputes	1.07	1.56	1.12
Entertainment tax disputes	229.69	1,095.02	1,075.09
VAT disputes	1,152.12	741.30	272.13
Entry tax disputes	80.22	25.30	25.30
Demand raised by Custom Directorate of Revenue Intelligence	220.08	-	-
<b>ii) Guarantees</b>			
Bank guarantees	50.00	40.00	34.56
Corporate guarantee issued by the Company***	250.00	250.00	250.00
<b>iii) Other money for which the Company is contingently liable</b>			
Outstanding letter of credits	-	-	216.72

\* Contingent liabilities incurred by the Group arising from its interests in joint ventures and associates is Rs. Nil (31 March, 2016: Rs. Nil; 1 April, 2015: Rs. Nil).



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

\*\* The Group has paid advance towards the above claims aggregating to Rs. 343.85 million (31 March, 2016: Rs. 202.49 million; 1 April, 2015: Rs. 167.97 million).

\*\*\* Against this corporate guarantee, the obligation outstanding as on 31 March, 2017 is Rs. 74.75 million (As at 31 March, 2016 - Rs. 121.33 million, As at 1 April, 2015 - Rs. 250 million).

### 31. Segment information

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the types of services provided. The CODM has identified Cable, Broadband and Soccer as its reportable segments.

- Cable segment consists of distribution and promotion of television channels.
- Broadband segment consists of providing internet services.
- Soccer segment consists of Delhi franchisee of Indian Super League.

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that is used interchangeably amongst segments is not allocated to segments.

#### I. Segment revenue and results

(Rs. in million)

Particulars	Year ended 31.03.2017				Year ended 31.03.2016			
	Cable	Broadband	Soccer*	Total	Cable	Broadband	Soccer*	Total
<b>A. Segment revenue</b>								
Revenue from operations (External customers)	10,755.40	818.00	-	11,573.40	8,832.41	398.50	244.10	9,475.01
<b>Total</b>	<b>10,755.40</b>	<b>818.00</b>		<b>11,573.40</b>	<b>8,832.41</b>	<b>398.50</b>	<b>244.10</b>	<b>9,475.01</b>
<b>B. Segment result</b>	(623.77)	(363.10)	-	(986.87)	(2,051.97)	(788.92)	(341.50)	(3,182.39)
Other income				409.18				583.67
Finance costs				(651.62)				(790.87)
<b>Profit/(Loss) before exceptional item and tax expense</b>				<b>(1,229.31)</b>				<b>(3,389.59)</b>
<b>Exceptional items</b>				(306.81)				(649.60)
Share of profit / (loss) of associates				(29.71)				34.07
Share of profit / (loss) of joint ventures				-				(89.69)
<b>Profit / (Loss) before taxes</b>				<b>(1,565.83)</b>				<b>(4,094.81)</b>
Tax expense				329.86				218.19
<b>Profit / (Loss) after tax</b>				<b>(1,895.69)</b>				<b>(4,313.00)</b>

#### II. Segment assets and liabilities

(Rs. in million)

Particulars	as at 31.03.2017				as at 31.03.2016			
	Cable	Broadband	Soccer*	Total	Cable	Broadband	Soccer*	Total
<b>C. Segment assets</b>								
Unallocable assets	15,918.80	1,215.90	-	17,134.70	17,243.67	1,289.90	-	18,533.57
				10,521.99				12,761.13
	15,918.80	1,215.90	-	27,656.69	17,243.67	1,289.90	-	31,294.70
Less: Inter-segment elimination				2,570.60				1,981.50
<b>Total assets</b>	<b>15,918.80</b>	<b>1,215.90</b>	<b>-</b>	<b>25,086.09</b>	<b>17,243.67</b>	<b>1,289.90</b>	<b>-</b>	<b>29,313.20</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Particulars	as at 31.03.2017				as at 31.03.2016			
	Cable	Broadband	Soccer*	Total	Cable	Broadband	Soccer*	Total
<b>D. Segment liabilities</b>	9,139.39	2,877.70	-	12,017.09	8,784.85	2,379.15	-	11,164.00
Unallocable liabilities				5,627.38				9,727.90
	9,139.39	2,877.70	-	17,644.47	8,784.85	2,379.15	-	20,891.90
Less: Inter-segment elimination				2,570.60				1,981.50
<b>Total liabilities</b>	<b>9,139.39</b>	<b>2,877.70</b>	<b>-</b>	<b>15,073.87</b>	<b>8,784.85</b>	<b>2,379.15</b>	<b>-</b>	<b>18,910.40</b>

### Segment assets and liabilities

(Rs. in million)

Particulars	As at 01.04.2015			
	Cable	Broadband	Soccer*	Total
<b>Segment assets</b>	14423.45	902.92	97.39	15,423.76
Unallocable assets				16,495.40
	14,423.45	902.92	97.39	31,919.16
Less: Inter-segment elimination				902.12
<b>Total assets</b>	<b>14,423.45</b>	<b>902.92</b>	<b>97.39</b>	<b>31,017.04</b>
<b>Segment liabilities</b>	5,446.01	1,245.08	7.50	6,698.59
Unallocable liabilities				10,525.67
	5,446.01	1,245.08	7.50	17,224.26
Less: Inter-segment elimination				902.12
<b>Total liabilities</b>	<b>5,446.01</b>	<b>1,245.08</b>	<b>7.50</b>	<b>16,322.14</b>

### III. Other segment information

(Rs. in million)

Particulars	Year ended 31.03.2017				Year ended 31.03.2016			
	Cable	Broadband	Soccer*	Total	Cable	Broadband	Soccer*	Total
Depreciation and amortisation (allocable)	2,494.99	280.01	-	2,775.00	1,934.24	126.77	-	2,061.01
Addition to non - current assets (allocable) i.e capital expenditure	1,481.85	260.34	-	1,742.19	3,085.29	682.35	-	3,767.64
Impairment losses recognised in respect of:								
a) Property, plant and equipment / Capital work-in-progress	19.53	-	-	19.53	29.62	-	-	29.62
b) Intangible assets	78.49	-	-	78.49	-	-	-	-
c) Goodwill on consolidation (unallocable)				171.69				159.70
d) financial assets								
- Allowance on trade receivables and advances	365.71	4.99	-	370.70	1,620.12	-	-	1,620.12
*Refer Note 45(f)								

### IV. Geographical information

- a. The Group is domiciled in India. The amount of its revenue from external customers broken down by location of customers is stated below:

(Rs. in million)

Geography	Year ended 31.03.2017	Year ended 31.03.2016
India	11,573.40	9,475.01
Outside India	-	-
	<b>11,573.40</b>	<b>9,475.01</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

b. Information regarding geographical non-current assets is as follows:

(Rs. in million)

Geography	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
India	16,899.28	18,630.71	16,254.44
Outside India	-	-	-
	<b>16,899.28</b>	<b>18,630.71</b>	<b>16,254.44</b>

c. Information about major customers:

No single customer contributed 10% or more to the Group's revenue during the years ended 31 March, 2017 and 31 March, 2016.

### 32. Operating Lease

The Group has taken office premises and accommodation for its employee under cancellable operating lease agreements. The lease rental expenses recognised in the Consolidated Statement of Profit and Loss:

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Payments recognised as an expense	245.52	227.72
Contingent rentals	-	-
Total	<b>245.52</b>	<b>227.72</b>

### 33. Finance lease as lessee

The Group has entered into finance lease arrangements for certain equipment which provide the Group an option to purchase the assets at the end of the lease period. The average lease term is 3 years.

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Future minimum lease payments:</b>			
(i) Not later than one year	501.51	649.98	630.66
(ii) Later than one year and not later than five years	-	521.06	1,135.69
(iii) Later than five years	-	-	-
	<b>501.51</b>	<b>1,171.04</b>	<b>1,766.35</b>
Less : Future finance charges	-	87.69	182.46
	<b>501.51</b>	<b>1,083.35</b>	<b>1,583.89</b>
<b>Present value of minimum lease payments payable:</b>			
(i) Not later than one year	501.51	581.84	529.54
(ii) Later than one year and not later than five years	-	501.51	1,054.35
(iii) Later than five years	-	-	-
	<b>501.51</b>	<b>1,083.35</b>	<b>1,583.89</b>
<b>Included in the financial statements as:</b>			
(i) Current maturities of finance lease obligations [See note 20]	501.51	581.84	529.54
(ii) Non-current borrowings [See note 16]	-	501.51	1,054.35

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 8.55% to 9% per annum (at 31 March, 2016 - 8.55% to 9% per annum, at 1 April, 2015 - 8.55% to 9% per annum).

### 34. Employee benefit plans

#### (i) Defined contribution plans

The Group operates defined contribution retirement benefit plans for all its qualifying employees. Where employees leaves the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The total expense recognised in Consolidated Statement of Profit and Loss of Rs. 47.11 million (for the year ended 31 March, 2016: Rs. 49.39 million) for provident fund contributions and Rs. 2.78 million (for the year ended 31 March, 2016: Rs. 3.56 million) for Employee State Insurance Scheme contributions represents contributions payable to these plans by the Group at rates specified in the rules

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

of the plans. As at 31 March, 2017, contributions of Rs. 15.52 million (as at 31 March, 2016: Rs. 14.15 million; as at 1 April, 2015: Rs. 8.66 million) due in respect of 2016-2017 (2015-2016) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

### (ii) Defined benefit plans

#### Gratuity plan

Gratuity liability arises on retirement, withdrawal, resignation, and death of an employee. The aforesaid liability is calculated on the basis of 15 days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service or part thereof in excess of 6 months, subject to a maximum of Rs. 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 gratuity plan typically exposes the Group to actuarial risks such as: interest rate risk, longevity risk and salary risk.

#### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

#### Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability

#### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as at 31 March, 2017 by Charan Gupta Consultants Private Limited for the Parent and certain subsidiaries, Ashok Kumar Garg and K A Pandit for the other subsidiaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

a) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuations as at		
	31.03.2017	31.03.2016	01.04.2015
Discount rate(s)	7.54%	8.00%	8.00%
Expected rate(s) of salary increase	8.00%	8.00%	8.00%
Average longevity at retirement age for current beneficiaries of the plan (years)	16.90	17.34	17.66
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)	20.98	21.96	22.30
Retirement age (years)	58	58	58
Mortality Table	IALM (2006 08)	IALM (2006 08)	IALM (2006 08)
Withdrawal Rates	In %	In %	In %
Upto 30 years	3.00	3.00	3.00
From 31 years to 44 years	2.00	2.00	2.00
Above 44 years	1.00	1.00	1.00

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Group financial statements as at 31 March, 2017:

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

- b) Amounts recognised in Consolidated Statement of Profit and Loss in respect of these defined benefit plans are as follows:

(Rs. in million)

Particulars	Year ended	
	31.03.2017	31.03.2016
Service cost		
- Current service cost	10.77	21.10
- Past service cost and (gain)/loss from settlements	-	-
Net interest expense	4.96	5.27
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>15.73</b>	<b>26.37</b>
Remeasurement on the net defined benefit liability		
- Return on plan assets (excluding amounts included in net interest expense)	-	-
- Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
- Actuarial (gains) / losses arising from changes in financial assumptions	4.18	0.81
- Actuarial (gains) / losses arising from experience adjustments	(8.51)	(4.42)
- Adjustments for restrictions on the defined benefit asset	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(4.33)</b>	<b>(3.61)</b>
<b>Total</b>	<b>11.40</b>	<b>22.76</b>

The current service cost and the net interest expense for the year are included in the employee benefits expense line item in the Consolidated Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

- c) The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

(Rs. in million)

Particulars	As at		
	31.03.2017	31.03.2016	01.04.2015
Present value of funded defined benefit obligation	91.74	86.23	68.58
Fair value of plan assets	-	-	-
Net liability arising from defined benefit obligation	91.74	86.23	68.58

- d) Movements in the present value of the defined benefit obligation are as follows:

(Rs. in million)

Particulars	Year ended	
	31.03.2017	31.03.2016
Opening defined benefit obligation	86.23	68.68
Current service cost	10.77	21.10
Interest cost	4.96	5.27
Remeasurement (gains)/losses:		
- Actuarial gains and losses arising from changes in demographic assumptions	-	-
- Actuarial gains and losses arising from changes in financial assumptions	4.18	0.81
- Actuarial gains and losses arising from experience adjustments	(8.51)	(4.42)
- Adjustments for restrictions on the defined benefit asset	-	-
Past service cost, including losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Benefits paid	(5.89)	(5.21)
Closing defined benefit obligation	<b>91.74</b>	<b>86.23</b>
- Current portion of the above	2.94	4.23
- Non current portion of the above	88.80	82.00

- e) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

- i) If the discount rate is 50 basis points higher (lower), the defined benefit obligation would decrease by Rs. 5.45 million (increase by Rs. 5.84 million) [as at 31 March, 2016: decrease by Rs. 5.61 million (increase by Rs. 5.64 million)] [as at 1 April, 2015: decrease by Rs. 2.76 million (increase by Rs. 2.70 million)].
- ii) If the expected salary growth increases (decreases) by 0.50%, the defined benefit obligation would increase by Rs. 5.79 million (decrease by Rs. 5.45 million) [as at 31 March, 2016: increase by Rs. 5.61 million (decrease by Rs. 5.70 million)] [as at 1 April, 2015: increase by Rs. 2.67 million (decrease by Rs. 2.78 million)].

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

- f) The average duration of the benefit obligation represents average duration for active members at 31 March, 2017: 17.66 years (as at 31 March, 2016: 17.34 years; as at 1 April, 2015: 16.90 years).
- g) The Group expects to make a contribution of Rs. 16.14 million (as at 31 March, 2016: Rs. 19.28 million; as at 1 April, 2015: Rs. 15.44 million) to the defined benefit plans during the next financial year.
- h) The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- i) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- j) The gratuity plan is unfunded.
- k) Experience on actuarial gain/(loss) for benefit obligations and plan assets:

(Rs. in million)

Particulars	Gratuity				
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013
Present value of DBO	91.74	86.23	68.58	35.50	30.95
Fair value of plan assets	-	-	-	-	-
Funded status [Surplus / (Deficit)]	(91.74)	(86.23)	(68.58)	(35.50)	(30.95)
Experience gain / (loss) adjustments on plan liabilities	4.33	3.61	0.91	(0.28)	1.57
Experience gain / (loss) adjustments on plan assets	-	-	-	4.03	0.01

### 35. Earnings per equity share (EPS)\*

(In Rs.)

Particulars		Year ended 31.03.2017	Year ended 31.03.2016
(i)	Basic	(11.35)	(24.21)
(ii)	Diluted*	(11.35)	(24.21)

#### (i) Basic earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

		Year ended 31.03.2017	Year ended 31.03.2016
(i)	Profit/(loss) for the year attributable to shareholders of the Company (Rs. in million)	(2,101.83)	(4,315.02)
(ii)	Earnings used in the calculation of basic earnings per share (Rs. in million)	(2,101.83)	(4,315.02)
(iii)	Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each)	185,223,966	178,199,806



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### (ii) Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows:

	Year ended 31.03.2017	Year ended 31.03.2016
(i) Earnings used in the calculation of diluted earnings per share (Rs. in million)	(2,101.83)	(4,315.02)
(ii) Weighted average number of equity shares for the purposes of basic earnings per share (Face value of Rs. 10 each)	185,223,966	178,199,806
(iii) Shares deemed to be issued for no consideration in respect of:		
- employee options	-	-
(iv) Weighted average number of equity shares used in the calculation of diluted earnings per share (ii+iii)	185,223,966	178,199,806

\*There are no potential dilutive equity shares.

### 36.Related Party Disclosures

#### I. List of related parties

##### a. Joint ventures

1. Star Den Media Services Private Limited (upto 30 March, 2016)
2. Media Pro Enterprise India Private Limited (upto 30 March, 2016)
3. Macro Commerce Private Limited (upto 15 July, 2016)

##### b. Associate entities

1. DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED (formerly known as DEN SPORTS & ENTERTAINMENT PRIVATE LIMITED) (w.e.f 31 March, 2016)
2. Den Satellite Network Private Limited
3. DEN ADN Network Private Limited
4. CCN DEN Network Private Limited

##### c. Entities in which KMP can exercise significant influence

1. Lucid Systems Private Limited
2. Verve Engineering Private Limited

##### d. Key managerial personnel

1. Mr. Sameer Manchanda (Chairman and Managing Director)
2. Mr. S.N Sharma (Chief Executive Officer)

##### e. Other related party- employees welfare trust

- 1 DNL Employees Welfare Trust

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

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>A. Transactions during the year</b>					
<b>i. Sale of services</b>					
Den Satellite Network Private Limited	275.78	-	-	-	275.78
	(252.08)	(-)	(-)	(-)	(252.08)
CCN DEN Network Private Limited	35.82	-	-	-	35.82
	(18.90)	(-)	(-)	(-)	(18.90)
DEN ADN Network Private Limited	16.33	-	-	-	16.33

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	(19.34)	(-)	(-)	(-)	(19.34)
Macro Commerce Private Limited	-	-	-	-	-
	(-)	(2.20)	(-)	(-)	(2.20)
<b>Total</b>	<b>327.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>327.93</b>
	<b>(290.32)</b>	<b>(2.20)</b>	<b>(-)</b>	<b>(-)</b>	<b>(292.52)</b>
<b>ii. Other income</b>					
<b>a. Interest income on financial assets carried at amortised cost</b>					
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	0.95	-	-	-	0.95
	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>0.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.95</b>
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
<b>iii. Purchase of services</b>					
CCN DEN Network Private Limited	25.12	-	-	-	25.12
	(29.72)	(-)	(-)	(-)	(29.72)
DEN ADN Network Private Limited	14.32	-	-	-	14.32
	(15.33)	(-)	(-)	(-)	(15.33)
Den Satellite Network Private Limited	128.32	-	-	-	128.32
	(200.65)	(-)	(-)	(-)	(200.65)
Macro Commerce Private Limited	-	-	-	-	-
	(-)	(0.11)	(-)	(-)	(0.11)
<b>Total</b>	<b>167.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167.76</b>
	<b>(245.70)</b>	<b>(0.11)</b>	<b>(-)</b>	<b>(-)</b>	<b>(245.81)</b>
<b>iv. Compensation of Key Managerial Personnel</b>					
<b>The remuneration of key managerial personnel during the year was as follows:</b>					
-Short-term employee benefits	-	-	-	48.55	48.55
	(-)	(-)	(-)	(27.65)	(27.65)
-Post-employment benefits	-	-	-	5.32	5.32
	(-)	(-)	(-)	(3.90)	(3.90)
-Share-based payments to employees	-	-	-	87.30	87.30
	(-)	(-)	(-)	(-)	(-)
	-	-	-	<b>141.17</b>	<b>141.17</b>
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(31.55)</b>	<b>(31.55)</b>
<b>v. Allowance on trade receivables and advances</b>					
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	2.48	-	-	-	2.48
	(-)	(-)	(-)	(-)	(-)

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>Total</b>	<b>2.48</b>	-	-	-	<b>2.48</b>
	(-)	(-)	(-)	(-)	(-)
<b>vi. Reimbursement of expenses (received)</b>					
CCN DEN Network Private Limited	0.01	-	-	-	0.01
	(0.04)	(-)	(-)	(-)	(0.04)
DEN ADN Network Private Limited	-	-	-	-	-
	(0.02)	(-)	(-)	(-)	(0.02)
Macro Commerce Private Limited	-	-	-	-	-
	(-)	(0.07)	(-)	(-)	(0.07)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	0.04	-	-	-	0.04
	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>0.05</b>	-	-	-	<b>0.05</b>
	<b>(0.06)</b>	<b>(0.07)</b>	<b>(-)</b>	<b>(-)</b>	<b>(0.13)</b>
<b>vii. Reimbursement of expenses (paid)</b>					
DELHI SOCCER PRIVATE LIMITED	-	-	-	-	-
	(2.84)	(-)	(-)	(-)	(2.84)
Macro Commerce Private Limited	-	-	-	-	-
	(-)	(0.04)	(-)	(-)	(0.04)
<b>Total</b>	-	-	-	-	-
	<b>(2.84)</b>	<b>(0.04)</b>	<b>(-)</b>	<b>(-)</b>	<b>(2.88)</b>
<b>viii. Investments made during the year (Equity and/or preference share capital)</b>					
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	104.50	-	-	-	104.50
	(-)	(-)	(-)	(-)	(-)
Macro Commerce Private Limited	-	-	-	-	-
	(-)	(100.00)	(-)	(-)	(100.00)
<b>Total</b>	<b>104.50</b>	-	-	-	<b>104.50</b>
	<b>(-)</b>	<b>(100.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(100.00)</b>
<b>ix. Investments sold during the year (Equity share capital)</b>					
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	80.00	-	-	-	80.00
	(-)	(-)	(-)	(-)	(-)
Star Den Media Services Private Limited	-	-	-	-	-
	(-)	(25.00)	(-)	(-)	(25.00)
<b>Total</b>	<b>80.00</b>	-	-	-	<b>80.00</b>
	<b>(-)</b>	<b>(25.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(25.00)</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars	Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>x. Loans received back during the year</b>					
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	192.49	-	-	-	192.49
	(-)	(-)	(-)	(-)	(-)
CCN DEN Network Private Limited	-	-	-	-	-
	(12.75)	(-)	(-)	(-)	(12.75)
<b>Total</b>	<b>192.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192.49</b>
	<b>(12.75)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(12.75)</b>

### B. Outstanding balances at year end

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>i. Investments in associates and joint ventures (Equity and/or preference share capital)</b>						
Den Satellite Network Private Limited	31 March, 2017	668.73	-	-	-	668.73
	31 March, 2016	(660.93)	(-)	(-)	(-)	(660.93)
	1 April, 2015	(651.27)	(-)	(-)	(-)	(651.27)
DEN ADN Network Private Limited	31 March, 2017	50.19	-	-	-	50.19
	31 March, 2016	(44.31)	(-)	(-)	(-)	(44.31)
	1 April, 2015	(34.40)	(-)	(-)	(-)	(34.40)
CCN DEN Network Private Limited	31 March, 2017	25.86	-	-	-	25.86
	31 March, 2016	(30.91)	(-)	(-)	(-)	(30.91)
	1 April, 2015	(21.96)	(-)	(-)	(-)	(21.96)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
Macro Commerce Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	-
	1 April, 2015	(-)	(4.89)	(-)	(-)	(4.89)
Star Den Media Services Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	-
	1 April, 2015	(-)	(425.98)	(-)	(-)	(425.98)
		<b>744.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>744.78</b>
		<b>(736.15)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(736.15)</b>
		<b>(707.63)</b>	<b>(430.87)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1,138.50)</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>ii. Other financial assets</b>						
<b>a. Security deposits paid</b>						
Media Pro Enterprise India Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(3.49)	(-)	(-)	(3.49)
<b>Total</b>		-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
		(-)	(3.49)	(-)	(-)	(3.49)
<b>b. Advances recoverable</b>						
Den Satellite Network Private Limited	31 March, 2017	1.00	-	-	-	1.00
	31 March, 2016	(1.00)	(-)	(-)	(-)	(1.00)
	1 April, 2015	(0.94)	(-)	(-)	(-)	(0.94)
CCN DEN Network Private Limited	31 March, 2017	0.25	-	-	-	0.25
	31 March, 2016	(7.66)	(-)	(-)	(-)	(7.66)
	1 April, 2015	(15.01)	(-)	(-)	(-)	(15.01)
DEN ADN Network Private Limited	31 March, 2017	0.17	-	-	-	0.17
	31 March, 2016	2.00	(-)	(-)	(-)	2.00
	1 April, 2015	(0.14)	(-)	(-)	(-)	(0.14)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	31 March, 2017	0.04	-	-	-	0.04
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
Star Den Media Services Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(0.01)	(-)	(-)	(0.01)
	1 April, 2015	(-)	(0.01)	(-)	(-)	(0.01)
Macro Commerce Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(0.05)	(-)	(-)	(0.05)
	1 April, 2015	(-)	(0.03)	(-)	(-)	(0.03)
Media Pro Enterprise India Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(3.85)	(-)	(-)	(3.85)
	1 April, 2015	(-)	(2.53)	(-)	(-)	(2.53)
Lucid Systems Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(-)	(0.02)	(-)	(0.02)
	1 April, 2015	(-)	(-)	(0.02)	(-)	(0.02)
<b>Total</b>		<b>1.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.46</b>
		<b>(6.66)</b>	<b>(3.91)</b>	<b>(0.02)</b>	<b>(-)</b>	<b>(10.59)</b>
		<b>(16.09)</b>	<b>(2.57)</b>	<b>(0.02)</b>	<b>(-)</b>	<b>(18.68)</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
<b>c. Unbilled revenue</b>						
Den Satellite Network Private Limited	31 March, 2017	0.32	-	-	-	0.32
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(13.93)	(-)	(-)	(-)	(13.93)
<b>Total</b>		<b>0.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.32</b>
		<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
		<b>(13.93)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(13.93)</b>
<b>d. Interest accrued and due</b>						
CCN DEN Network Private Limited	31 March, 2017	34.15	-	-	-	34.15
	31 March, 2016	(22.88)	(-)	(-)	(-)	(22.88)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
DEN ADN Network Private Limited	31 March, 2017	7.36	-	-	-	7.36
	31 March, 2016	(7.57)	(-)	(-)	(-)	(7.57)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	31 March, 2017	0.96	-	-	-	0.96
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
Den Satellite Network Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(0.38)	(-)	(-)	(-)	(0.38)
<b>Total</b>		<b>42.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42.47</b>
		<b>(30.45)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(30.45)</b>
		<b>(0.38)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(0.38)</b>
<b>e. Receivable on sale of property, plant and equipment</b>						
CCN DEN Network Private Limited	31 March, 2017	12.62	-	-	-	12.62
	31 March, 2016	(12.62)	(-)	(-)	(-)	(12.62)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
Den Satellite Network Private Limited	31 March, 2017	0.12	-	-	-	0.12
	31 March, 2016	(30.66)	(-)	(-)	(-)	(30.66)
	1 April, 2015	(44.30)	(-)	(-)	(-)	(44.30)
<b>Total</b>		<b>12.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.74</b>
		<b>(43.28)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(43.28)</b>
		<b>(44.30)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(44.30)</b>
<b>iii. Trade receivables</b>						
Den Satellite Network Private Limited	31 March, 2017	534.89	-	-	-	534.89
	31 March, 2016	(417.05)	(-)	(-)	(-)	(417.05)
	1 April, 2015	(171.32)	(-)	(-)	(-)	(171.32)
CCN DEN Network Private Limited	31 March, 2017	25.47	-	-	-	25.47

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
DEN ADN Network Private Limited	31 March, 2017	2.56	-	-	-	2.56
	31 March, 2016	(10.45)	(-)	(-)	(-)	(10.45)
	1 April, 2015	(14.35)	(-)	(-)	(-)	(14.35)
Media Pro Enterprise India Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(0.06)	(-)	(-)	(0.06)
	1 April, 2015	(-)	(0.06)	(-)	(-)	(0.06)
Star Den Media Services Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(1.24)	(-)	(-)	(1.24)
	1 April, 2015	(-)	(0.74)	(-)	(-)	(0.74)
Macro Commerce Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(4.06)	(-)	(-)	(4.06)
	1 April, 2015	(-)	(0.42)	(-)	(-)	(0.42)
<b>Total</b>		<b>562.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>562.92</b>
		<b>(427.50)</b>	<b>(5.36)</b>	<b>(-)</b>	<b>(-)</b>	<b>(432.86)</b>
		<b>(185.67)</b>	<b>(1.22)</b>	<b>(-)</b>	<b>(-)</b>	<b>(186.89)</b>
<b>iv. Loans</b>						
CCN DEN Network Private Limited	31 March, 2017	182.05	-	-	-	182.05
	31 March, 2016	(182.05)	(-)	(-)	(-)	(182.05)
	1 April, 2015	(169.30)	(-)	(-)	(-)	(169.30)
DEN ADN Network Private Limited	31 March, 2017	74.39	-	-	-	74.39
	31 March, 2016	(74.39)	(-)	(-)	(-)	(74.39)
	1 April, 2015	(74.39)	(-)	(-)	(-)	(74.39)
DELHI SPORTS & ENTERTAINMENT PRIVATE LIMITED	31 March, 2017	-	-	-	-	-
	31 March, 2016	(192.49)	(-)	(-)	(-)	(192.49)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
<b>Total</b>		<b>256.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>256.44</b>
		<b>(448.93)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(448.93)</b>
		<b>(243.69)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(243.69)</b>
<b>v. Trade payables</b>						
Den Satellite Network Private Limited	31 March, 2017	313.94	-	-	-	313.94
	31 March, 2016	(178.12)	(-)	(-)	(-)	(178.12)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
DEN ADN Network Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(13.22)	(-)	(-)	(-)	(13.22)
	1 April, 2015	(27.90)	(-)	(-)	(-)	(27.90)
CCN DEN Network Private Limited	31 March, 2017	-	-	-	-	-

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Figures in bracket relates to previous year)  
(Rs. in million)

Particulars		Associates	Joint ventures	Entities in which KMP can exercise significant influence	Key management personnel	Grand total
	31 March, 2016	(16.70)	(-)	(-)	(-)	(16.70)
	1 April, 2015	(14.23)	(-)	(-)	(-)	(14.23)
Macro Commerce Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(0.11)	(-)	(-)	(0.11)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
Media Pro Enterprise India Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(1.56)	(-)	(-)	(1.56)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
<b>Total</b>		<b>313.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313.94</b>
		<b>(208.04)</b>	<b>(1.67)</b>	<b>(-)</b>	<b>(-)</b>	<b>(209.71)</b>
		<b>(42.13)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(42.13)</b>
<b>vi. Other current liabilities</b>						
<b>a. Deferred revenue</b>						
CCN DEN Network Private Limited	31 March, 2017	2.24	-	-	-	2.24
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
DEN ADN Network Private Limited	31 March, 2017	0.79	-	-	-	0.79
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
Den Satellite Network Private Limited	31 March, 2017	2.62	-	-	-	2.62
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(0.79)	(-)	(-)	(-)	(0.79)
<b>Total</b>		<b>5.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.65</b>
		<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
		<b>(0.79)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(0.79)</b>
<b>b. Advance from customers</b>						
DEN ADN Network Private Limited	31 March, 2017	5.68	-	-	-	5.68
	31 March, 2016	(15.47)	(-)	(-)	(-)	(15.47)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
CCN DEN Network Private Limited	31 March, 2017	0.98	-	-	-	0.98
	31 March, 2016	(8.83)	(-)	(-)	(-)	(8.83)
	1 April, 2015	(-)	(-)	(-)	(-)	(-)
Den Satellite Network Private Limited	31 March, 2017	-	-	-	-	-
	31 March, 2016	(-)	(-)	(-)	(-)	(-)
	1 April, 2015	(0.01)	(-)	(-)	(-)	(0.01)
<b>Total</b>		<b>6.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.66</b>
		<b>(24.30)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(24.30)</b>
		<b>(0.01)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(0.01)</b>

vii. Amount recoverable from DNL Employees Welfare Trust as at 31 March, 2017: Rs. 0.36 million (As at 31 March, 2016: Rs. 0.36 million; As at 1 April, 2015: Rs. 0.36 million)



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

- viii. Guarantee given by the Company for a term loan taken from bank by an associate Company, Den Satellite Network Private Limited outstanding as at the end of the year amounted to Rs. 250 million [As at 31 March, 2016: Rs. 250 million; As at 1 April, 2015: Rs. 250 million].
- ix. Lucid Systems Private Limited ('LSPL') has given guarantee by way of pledge of 8.20 million (previous year - 5.50 million) equity shares held in the Company for credit facilities availed by the Company on loans taken from a financial institution / bank during the year ended 31 March, 2017 and 31 March, 2016.
- x. Mr. Sameer Manchanda (Chairman and Managing Director of the Company) had extended guarantee for a term loan as at 31 March, 2017: Rs. Nil (As at 31 March, 2016: Rs. Nil; As at 1 April, 2015: Rs. 184.88 million) borrowed from a bank by a subsidiary Company.

### 37. Share Based payments

#### A. Employee Stock Option Plan 2010 ("ESOP 2010")

##### a) Details of the employee share option plan of the company

The weighted average fair value of the share options granted under ESOP 2010 during the financial year is Rs. 29.11 (during the year ended 31 March, 2016: Rs. 29.34). Options were priced using Black Scholes model

The Company had established an Employee Stock Option Plan (ESOP 2010) in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999, which has been approved by the Board of Directors and the shareholders. A Nomination and Remuneration / Compensation Committee comprising majority of independent, non-executive members of the Board of Directors administers the ESOPs. All option under the ESOPs are exercisable for equity shares. The Company had taken approval of the Shareholders to grant and allot upto 5,219,599 equity options under the said scheme. The total outstanding options under the scheme are 850,000 equity options.

There shall be a minimum period of one year between the grant of options and vesting of options. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

As per approval of the shareholder, the Company may issue options to employees of the Company/ subsidiaries/ directors of the subsidiaries.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the receipt of the option. The options carry neither rights to dividend nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share based arrangements were in existence during the current and prior years :

Options Series	Number	Grant date	Expiry date	Forefeiture date	Exercise Price	Fair value at grant date
1 DEN ESOP Scheme, 2010 (Granted on 13 February, 2015)	430,000	13-Feb-15	12-Feb-18	01-Apr-16	160.00	16.40
	200,000	13-Feb-15	12-Feb-18	15-Feb-17	160.00	16.40
	255,000	13-Feb-15	12-Feb-18	-	160.00	16.40
	212,500	13-Feb-15	12-Feb-19	-	160.00	26.76
	212,500	13-Feb-15	12-Feb-20	-	160.00	35.52
	170,000	13-Feb-15	12-Feb-21	-	160.00	43.08
2 DEN ESOP Scheme, 2010 (Granted on 16 March, 2015)	200,000	16-Mar-15	15-Mar-20	30-Apr-16	160.00	16.93

All options vested on their date of grant and expiry within twelve months of their issue, or one month after the resignation of the executive or senior employee, whichever is earlier.

##### b) Fair value of share options granted in the year

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant. The Company has granted 3,926,195 options upto 31 March, 2017.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

	850,000 Options (Vesting Period -4 Years)			
	1st Year	2nd Year	3rd Year	4th Year
Grant date share price	111.50	111.50	111.50	111.50
Exercise price	160.00	160.00	160.00	160.00
Expected volatility (in %)	48.00%	48.00%	48.00%	48.00%
Option life (in years)	1.50	2.50	3.50	4.50
Dividend yield (in %)	Nil	Nil	Nil	Nil
Risk-free interest rate (in %)	7.93%	7.88%	7.85%	7.81%

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

### c) Movement in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year :

Particulars	2016-2017		2015-2016		2014-2015	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		(in Rs.)		(in Rs.)		(in Rs.)
Balance at the beginning of the year	1,680,000	160.00	1,680,000	160.00	450,000	30.00
Granted during the year	-	-	-	-	1,680,000	160.00
Forfeited during the year	-	-	-	-	450,000	30.00
Exercised during the year	-	-	-	-	-	-
Expired during the year	830,000	160.00	-	-	-	-
<b>Balance at the end of the year</b>	<b>850,000</b>	<b>160.00</b>	<b>1,680,000</b>	<b>160.00</b>	<b>1,680,000</b>	<b>160.00</b>

### d) Share options outstanding at the end of the year

The share options outstanding at the end of the year had remaining contractual life of 1.26 years (as at 31 March, 2016 is 2.21 years; as at 1 April, 2015 is 3.19 years).

## B. Employee Stock Option Plan 2014 ("ESOP 2014")

### a) Details of the employee share option plan of the company

The weighted average fair value of the share options granted under ESOP 2014 during the financial year is Rs. 57.03 (during the year ended 31 March, 2016: Rs. 30.61). Options were priced using Black Scholes model.

The shareholders of the Company vide shareholders approval through postal ballot dated 5 January, 2015 had approved purchase upto 2.5% of paid-up equity share capital of the Company from the secondary market under the DEN ESOP Plan A- 2014. Further, the shareholders of the Company vide shareholders approval through postal ballot dated 23 June, 2015, terminated the DEN ESOP Plan A- 2014 and allocated the same option under DEN ESOP Plan B -2014. After approval, the total number of equity shares under the DEN ESOP Plan B-2014 has increased to 8,909,990.

During the year, the Nomination and Remuneration / Compensation Committee of the Company, had granted 1,750,000 options under this Scheme to eligible employees. Total outstanding options under DEN ESOP Plan-B 2014 are 2,950,000. The vesting period of 1,750,000 options is 2 years and for the rest of the options it is 4 years.

The Company has a share option scheme for executives and senior employees of the Company and its subsidiaries. In accordance with the term of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees with more than five years service with the Company may be granted options for purchase equity shares.

Each employee share option converts into one equity share of the company on exercise. No amounts are paid or payable by the receipt of the option. The options carry neither rights to dividend nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share based arrangements were in existence during the current and prior years :

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Options Series	Number	Grant date	Expiry date	Forefeiture date	Exercise Price	Fair value at grant date
1 DEN ESOP Plan B-2014 (Granted on 16 January, 2015)	2,800,000	16-Jan-15	15-Jan-20	27-Jan-17	160.00	21.44
2 DEN ESOP Plan B-2014 (Granted on 2 February, 2015)	240,000	02-Feb-15	01-Feb-17	01-Feb-17	160.00	14.51
	200,000	02-Feb-15	01-Feb-18	24-Mar-17	160.00	24.34
	200,000	02-Feb-15	01-Feb-19	24-Mar-17	160.00	32.79
	160,000	02-Feb-15	01-Feb-20	24-Mar-17	160.00	40.15
3 DEN ESOP Plan B-2014 (Granted on 10 February, 2015)	240,000	10-Feb-15	09-Feb-18	-	160.00	15.35
	200,000	10-Feb-15	09-Feb-19	-	160.00	25.44
	200,000	10-Feb-15	09-Feb-20	-	160.00	34.04
	160,000	10-Feb-15	09-Feb-21	-	160.00	41.48
4 DEN ESOP Plan B-2014 (Granted on 13 February, 2015)	15,000	13-Feb-15	12-Feb-17	01-Apr-16	160.00	16.40
	12,500	13-Feb-15	12-Feb-18	01-Apr-16	160.00	26.76
	12,500	13-Feb-15	12-Feb-19	01-Apr-16	160.00	35.52
	10,000	13-Feb-15	12-Feb-20	01-Apr-16	160.00	43.08
5 DEN ESOP Plan B-2014 (Granted on 3 July, 2015)	100,000	03-Jul-15	03-Jul-20	10-Nov-16	160.00	14.63
	50,000	03-Jul-15	03-Jul-20	11-Apr-16	160.00	14.63
	120,000	03-Jul-15	02-Jul-18	-	160.00	7.32
	100,000	03-Jul-15	02-Jul-19	-	160.00	14.63
	100,000	03-Jul-15	02-Jul-20	-	160.00	21.41
	80,000	03-Jul-15	02-Jul-21	-	160.00	27.57
6 DEN ESOP Plan B-2014 (Granted on 19 July, 2016)	750,000	19-Jul-16	18-Jul-18	-	10.00	79.51
	750,000	19-Jul-16	18-Aug-19	-	10.00	79.56
	250,000	19-Jul-16	18-Aug-20	-	10.00	80.11

All options vested on their date of grant and expiry within twelve months of their issue, or one month after the resignation of the executive or senior employee, whichever is earlier.

### b) Fair value of share options granted in the year

The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration / Compensation Committee. The exercise period of the options is a period of one year after the vesting of the options. Each option is exercisable for one equity share of Rs. 10 each fully paid up on payment of exercise price (as determined by the Nomination and Remuneration / Compensation Committee) of share determined with respect to the date of grant.

The 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

	800,000 Options (Vesting Period -4 Years)				400,000 Options (Vesting Period -4 Years)			
	1st Year	2nd Year	3rd Year	4th Year	1st Year	2nd Year	3rd Year	4th Year
Grant date share price	109.60	109.60	109.60	109.60	108.40	108.40	108.40	108.40
Exercise price	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00
Expected volatility (in %)	47.65%	47.65%	47.65%	47.65%	47.65%	47.65%	47.65%	47.65%
Option life (in years)	1.50	2.50	3.50	4.50	1.50	2.50	3.50	4.50
Dividend yield (in %)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate (in %)	7.85%	7.83%	7.80%	7.78%	7.79%	7.78%	7.77%	7.76%

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

	1,750,000 Options (Vesting Period- 2 Years)		
	1st Year	2nd Year	3rd Year
Grant date share price	88.6	88.6	88.6
Exercise price	10	10	10
Expected volatility (in %)	49.93%	49.93%	49.93%
Option life (in years)	1.50	1.59	2.50
Dividend yield (in %)	Nil	Nil	Nil
Risk-free interest rate (in %)	6.37%	6.37%	6.53%

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

### c) Movement in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year :

	2016-2017		2015-2016		2014-2015	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at the beginning of the year	5,000,000	160.00	4,450,000	160.00	-	-
Granted during the year	1,750,000	10.00	550,000	160.00	4,450,000	160.00
Vested during the year	300,000	-	1,335,000	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	3,800,000	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>2,950,000</b>	<b>31.04</b>	<b>5,000,000</b>	<b>160.00</b>	<b>4,450,000</b>	<b>160.00</b>

### d) Share options outstanding at the end of the year

The share options outstanding at the end of the year had remaining contractual life of 1.39 years (as at 31 March, 2016 is 1.76 years; as at 1 April, 2015 is 2.19 years).

## 38. Goodwill on consolidation

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Cost or deemed cost	2,816.94	2,659.49	2,643.61
Accumulated impairment loss	(343.34)	(171.65)	(11.95)
	<b>2,473.60</b>	<b>2,487.84</b>	<b>2,631.66</b>
<b>Cost or deemed cost</b>			
Balance at the beginning of year	<b>2,659.49</b>	<b>2,631.66</b>	
Additional amount recognised from business combinations	157.45	27.83	
<b>Balance at the end of year</b>	<b>2,816.94</b>	<b>2,659.49</b>	
<b>Accumulated impairment loss</b>			
Balance at the beginning of year	<b>(171.65)</b>	-	
Impairment losses recognised during the year	(171.69)	(171.65)	
<b>Balance at the end of year</b>	<b>(343.34)</b>	<b>(171.65)</b>	

### Impairment of Goodwill

For the purpose of impairment testing, goodwill has been allocated to the cash generating unit (CGU)- cable segment.

The recoverable amount of this cash-generating unit is determined based on a value in use calculation which uses cash flow projections based on financial forecasts covering a five-year period, and a discount rate of 9.60% per annum (as at 31 March, 2016: 8.81% per annum; as at 1 April, 2015: 8.02% per annum).

Cash flow projections during the forecast period are based on the same expected gross margins and inflation throughout the forecast period. The cash flows beyond that five-year period have been extrapolated using a steady growth rate of 2% per annum (as at March



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

31, 2016: 2% per annum; as at April 1, 2015: 2% per annum) which is the projected long-term average growth rate for Cable CGU. The directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

Based on impairment testing as above, the management has accounted for a provision for impairment loss amounting to Rs. 171.23 million and Rs 159.70 million for the years ended 31 March, 2017 and 31 March, 2016 respectively.

### 39. Financial Instruments

#### a) Capital Management

The Group's management reviews the capital structure of the Group on periodical basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group has a target gearing ratio of 15% - 30% determined as the proportion of net debt to total equity. The gearing ratio at 31 March, 2017 of 15.09% (see below) was within the target range.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 16, 18 and 20 and offset by cash and bank balances and current investments in notes 12, 13 and 10) and total equity of the Company.

The Group sets the amount of capital required on the basis of annual business and long-term operating plans.

The funding requirements are met through a mixture of equity, internal fund generation, non-current and current borrowings. The Company's policy is to use non-current and current borrowings to meet anticipated funding requirements.

#### Gearing ratio

The gearing ratio at end of the reporting period was as follows

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Debt (i)			
Borrowings- current (See Note 18)	1,227.70	2,853.30	3,845.62
Borrowings- non current (See Note 16)	1,879.70	3,277.06	3,376.07
Current maturities of long term debt (See Note 20)	1,929.88	2,407.92	2,195.22
Cash and cash equivalents (See Note 12)	868.00	1,605.08	1,274.95
Current investments (See Note 10)	266.79	357.28	1,337.72
<b>Total</b>	<b>3,902.49</b>	<b>6,575.92</b>	<b>6,804.24</b>
Bank balances other than cash and cash equivalents (See Note 13)	2,391.40	3,535.51	6,671.62
<b>Net debt</b>	<b>1,511.09</b>	<b>3,040.41</b>	<b>132.62</b>
<b>Total equity</b>	<b>10,012.23</b>	<b>10,402.80</b>	<b>14,694.90</b>
<b>Net debt to equity ratio</b>	<b>15.09%</b>	<b>29.23%</b>	<b>0.90%</b>

#### (b) Financial risk management objective and policies

##### Financial assets and liabilities:

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

##### As at 31 March, 2017

(Rs. in million)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL (mandatorily measured)	Total carrying value
Cash and cash equivalents	868.00	-	-	868.00
Bank balances other than cash and cash equivalents	2,391.40	-	-	2,391.40
Trade receivables	2,402.27	-	-	2,402.27
Current investments	-	-	266.79	266.79
Security deposits	101.36	-	-	101.36
Loans	700.60	-	-	700.60
Other financial assets	278.84	-	-	278.84
	<b>6,742.47</b>	-	<b>266.79</b>	<b>7,009.26</b>

Investment in equity shares of joint ventures and associates carried at cost less impairment

**744.78**

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL (mandatorily measured)	Total carrying value
Borrowings- non current	1,879.70	-	-	1,879.70
Borrowings- current	1,227.70	-	-	1,227.70
Trade payables	3,328.83	-	-	3,328.83
Other financial liabilities - non-current	5.50	-	-	5.50
Other financial liabilities - current	2,737.91	-	-	2,737.91
	<b>9,179.64</b>	-	-	<b>9,179.64</b>

### As at 31 March, 2016

(Rs. in million)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL (mandatorily measured)	Total carrying value
Cash and cash equivalents	1,605.08	-	-	1,605.08
Bank balances other than cash and cash equivalents	3,535.51	-	-	3,535.51
Trade receivables	2,625.62	-	-	2,625.62
Current investments	-	-	357.28	357.28
Security deposits	95.50	-	-	95.50
Loans	731.12	-	-	731.12
Other financial assets	425.91	-	-	425.91
	<b>9,018.74</b>	-	<b>357.28</b>	<b>9,376.02</b>

Investment in equity shares of joint ventures and associates carried at cost less impairment

**736.15**

(Rs. in million)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL (mandatorily measured)	Total carrying value
Borrowings- non current	3,277.06	-	-	3,277.06
Borrowings- current	2,853.30	-	-	2,853.30
Trade payables	2,865.38	-	-	2,865.38
Other financial liabilities - non-current	3.21	-	-	3.21
Other financial liabilities - current	3,975.30	-	-	3,975.30
	<b>12,974.25</b>	-	-	<b>12,974.25</b>

### As at 1 April, 2015

(Rs. in million)

Financial assets	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL (mandatorily measured)	Total carrying value
Cash and cash equivalents	1,274.95	-	-	1,274.95
Bank balances other than cash and cash equivalents	6,671.62	-	-	6,671.62
Trade and other receivables	2,794.86	-	-	2,794.86
Current investments	-	-	1,337.72	1,337.72
Security deposits	90.00	-	-	90.00
Loans	374.62	-	-	374.62
Other financial assets	1,092.86	-	-	1,092.86
	<b>12,298.91</b>	-	<b>1,337.72</b>	<b>13,636.63</b>

Investment in equity shares of joint ventures and associates carried at cost less impairment

**707.63**

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Financial liabilities	Measured at amortised cost	Measured at FVTOCI	Measured at FVTPL (mandatorily measured)	Total carrying value
Borrowings- non current	3,376.07	-	-	3,376.07
Borrowings- current	3,845.62	-	-	3,845.62
Trade payables	2,061.22	-	-	2,061.22
Other financial liabilities - non-current	3.53	-	-	3.53
Other financial liabilities - current	3,096.48	-	-	3,096.48
	<b>12,382.92</b>	-	-	<b>12,382.92</b>

### (c) Risk management framework

The Group is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The objective of the Group's risk management framework is to manage the above risks and aims to :

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- provide management with reliable information on the Group's risk exposure
- improve financial returns

#### (i) Market risk

Market risk is the risk that the fair value of financial instrument will fluctuate because of change in market price. Market risk comprises of three types of risks - interest risk refer 39 c (iv), foreign currency risk refer 39 c (iii) and other price risk refer 39 c (v) such as equity price risk.

The Group's activities expose it primarily to interest rate risk, currency risk and other price risk such as equity price risk. The financial instruments affected by market risk includes : Fixed deposits, current investments, borrowings and other current financial liabilities.

#### (ii) Liquidity risk

The Group requires funds both for short-term operational needs as well as for long-term investment needs.

The Group remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the balance sheet. The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Group.

(Rs. in million)

	As at 31.03.2017				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non Current</b>					
- Borrowings*	-	1,950.63	392.41	-	2,343.04
- Other financial liabilities	-	5.50	-	-	5.50
<b>Current</b>					
- Borrowings	1,227.70	-	-	-	1,227.70
- Current maturities of long term debt*	2,287.77	-	-	-	2,287.77
- Interest accrued	28.35	-	-	-	28.35
- Trade payables	3,328.83	-	-	-	3,328.83
- Other financial liabilities	779.68	-	-	-	779.68
<b>Total</b>	<b>7,652.33</b>	<b>1,956.13</b>	<b>392.41</b>	-	<b>10,000.87</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

	As at 31.03.2016				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non Current</b>					
- Borrowings*	-	3,723.79	374.50	-	4,098.29
- Other financial liabilities	-	3.21	-	-	3.21
<b>Current</b>					-
- Borrowings	2,853.30	-	-	-	2,853.30
- Current maturities of long term debt*	2,749.24	-	-	-	2,749.24
- Interest accrued	53.83	-	-	-	53.83
- Trade payables	2,865.38	-	-	-	2,865.38
- Other financial liabilities	1,513.55	-	-	-	1,513.55
<b>Total</b>	<b>10,035.30</b>	<b>3,727.00</b>	<b>374.50</b>	-	<b>14,136.80</b>

(Rs. in million)

	As at 01.04.2015				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non Current</b>					
Borrowings*	-	4,538.62	-	-	4,538.62
Other financial liabilities	-	3.53	-	-	3.53
<b>Current</b>					
Borrowings	3,845.62	-	-	-	3,845.62
Current maturities of long term debt*	2,892.85	-	-	-	2,892.85
Interest accrued	61.03	-	-	-	61.03
Trade payables	2,061.22	-	-	-	2,061.22
Other financial liabilities	840.23	-	-	-	840.23
<b>Total</b>	<b>9,700.95</b>	<b>4,542.15</b>	-	-	<b>14,243.10</b>

\*includes undiscounted interest.

As at 31 March, 2017, the Group had access to fund based facilities of Rs. 5,782.00 million, of which Rs. 744.71 million was yet not drawn, as set out below:

(Rs. in million)

	Total Facility	Drawn	Undrawn
	5,782.00	5,037.29	744.71
<b>Total</b>	<b>5,782.00</b>	<b>5,037.29</b>	<b>744.71</b>

As at 31 March, 2016, the Group had access to fund based facilities of Rs. 10,212.00 million, of which Rs. 1,673.72 million was yet not drawn, as set out below:

(Rs. in million)

	Total Facility	Drawn	Undrawn
	10,212.00	8,538.28	1,673.72
<b>Total</b>	<b>10,212.00</b>	<b>8,538.28</b>	<b>1,673.72</b>

As at 1 April, 2015, the Group had access to funding facilities of Rs. 9,914.00 million, of which Rs. 497.09 million was yet not drawn, as set out below:

(Rs. in million)

	Total Facility	Drawn	Undrawn
	9,914.00	9,416.91	497.09
<b>Total</b>	<b>9,914.00</b>	<b>9,416.91</b>	<b>497.09</b>



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### (iii) Foreign currency risk

Foreign exchange risk comprises of risk that may arise to the Group because of fluctuations in foreign currency exchange rates. Fluctuations in foreign currency exchange rates may have an impact on the Consolidated Statement of Profit and Loss. As at the year end, the Group was exposed to foreign exchange risk arising from foreign currency payables and buyer's credit denominated in foreign currency availed by the Group.

The carrying amounts of the Group foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	-	23.74	-	58.34
Equivalent INR	-	1,538.70	-	3,870.00
			As at 01.04.2015	
			Financial assets	Financial liabilities
USD			-	58.03
Equivalent INR			-	3,632.98

The results of Group's operations may be affected by fluctuations in the exchange rates between the Indian Rupee against the US dollar. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 1% against the functional currency of the Group.

For the year ended 31 March, 2017 and 31 March, 2016, every 100 basis points depreciation/ appreciation in the exchange rate between the Indian rupee and U.S. dollar will affect the Group's losses before tax by approximately by Rs. 15.39 million (31 March, 2016 : Rs. 38.70 million)

### (iv) Interest rate risk

The Group is exposed to interest rate risk on current and non-current borrowings and fixed deposits outstanding as at the year end. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees. The US dollar debt representing the buyers credit facility availed by the Group is composite of fixed and floating rates (linked to US dollar LIBOR). These exposures are reviewed by appropriate levels of management on a monthly basis. The Group invests in fixed deposits to achieve the Group's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

**The exposure of the Group's financial liabilities as at 31 March, 2017 to interest rate risk is as follows:**

(Rs. in million)

	Floating rate	Fixed rate	Non interest bearing	Total
<b>Non current</b>				
Borrowings	1,451.54	428.16	-	1,879.70
<b>Current</b>				
Borrowings	1,227.70	-	-	1,227.70
Current maturities of long term debt	813.85	1,116.03	-	1,929.88
	<b>3,493.09</b>	<b>1,544.19</b>	-	<b>5,037.28</b>
Fixed deposits	-	2,546.37	-	<b>2,546.37</b>
<b>Weighted average interest rate (per annum)</b>				
Buyer's credit (denominated in FC)	1.80% to 2.10%	NA		
Others	10.30% to 12.30%	8.55%		

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The exposure of the Group's financial liabilities as at 31 March, 2016 to interest rate risk is as follows:

(Rs. in million)

	Floating rate	Fixed rate	Non interest bearing	Total
<b>Non current</b>				
Borrowings	1,732.86	1,544.20	-	3,277.06
<b>Current</b>				
Borrowings	2,853.30	-	-	2,853.30
Current maturities of long term debt	1,040.86	1,367.06	-	2,407.92
	<b>5,627.02</b>	<b>2,911.26</b>	-	<b>8,538.28</b>
Fixed deposits	-	3,814.30	-	<b>3,814.30</b>
<u>Weighted average interest rate (per annum)</u>				
Buyer's credit	1.4% to 1.6%	NA		
Others	10.3% to 12.5%	8.55%		

The exposure of the Group's financial liabilities as at 1 April, 2015 to interest rate risk is as follows:

(Rs. in million)

	Floating rate	Fixed rate	Non interest bearing	Total
<b>Non current</b>				
Borrowings	1,122.93	2,253.14	-	3,376.07
<b>Current</b>				
Borrowings	3,845.62	-	-	3,845.62
Current maturities of long term debt	760.25	1,434.97	-	2,195.22
	<b>5,728.80</b>	<b>3,688.11</b>	-	<b>9,416.91</b>
Fixed deposits	-	6,671.67	-	<b>6,671.67</b>
<u>Weighted average interest rate (per annum)</u>				
Buyer's credit	1.4% to 1.6%	NA		
Others	10.3% to 12.5%	8.55%		

### Interest rate sensitivity analysis on borrowings:

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's losses before tax for the year ended 31 March, 2017 would decrease/increase by Rs. 5.77 million (year ended 31 March, 2016 : Rs. 6.98 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

### Interest rate sensitivity analysis on fixed deposits:

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's losses before tax for the year ended 31 March, 2017 would decrease/increase by Rs. 2.39 million (year ended 31 March, 2016 : Rs. 4.35 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

### (v) Other price risk

The Group is exposed to price risks arising from fair valuation of Group's investment in mutual funds. These investments are held for short term purposes. The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting year.

If prices had been 100 basis points higher/lower, loss before tax for the year ended 31 March, 2017 would increase/decrease by Rs. 2.67 million (for the year ended 31 March, 2016: Rs. 2.43 million) as a result of the changes in fair value of these investments which have been designated as at FVTPL.

### (vi) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's exposure to credit risk primarily arises from trade receivables, balances with banks and security deposits. The credit risk on bank balances is limited because the counterparties are banks with good credit ratings. Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Group's policies on assessing expected credit losses is detailed in notes to accounting policies (See note 2.15). For details of exposure, default grading and expected credit loss as on the reporting year (See note 11).

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 40. Fair value measurement

i) Financial assets and financial liabilities that are not measured at fair value are as under:

(Rs. in million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>						
Cash and cash equivalents	868.00	868.00	1,605.08	1,605.08	1,274.95	1,274.95
Bank balances other than cash and cash equivalents	2,391.40	2,391.40	3,535.51	3,535.51	6,671.62	6,671.62
Trade receivables	2,402.27	2,402.27	2,625.62	2,625.62	2,794.86	2,794.86
Security deposits	101.36	101.36	95.50	95.50	90.00	90.00
Loans	700.60	700.60	731.12	731.12	374.62	374.62
Other financial assets	278.84	278.84	425.91	425.91	1,092.86	1,092.86
<b>Financial liabilities</b>						
Non-current borrowings	1,879.70	1,879.70	3,277.06	3,277.06	3,376.07	3,376.07
Current borrowings	1,227.70	1,227.70	2,853.30	2,853.30	3,845.62	3,845.62
Trade payables	3,328.83	3,328.83	2,865.38	2,865.38	2,061.22	2,061.22
Other financial liabilities - non-current	5.50	5.50	3.21	3.21	3.53	3.53
Other financial liabilities - current	2,737.91	2,737.91	3,975.30	3,975.30	3,096.48	3,096.48

#### Note :

The carrying value of the above financial assets and financial liabilities carried at amortised cost approximate these fair value.

ii) Fair value hierarchy of assets measured at fair value as at 31 March, 2017; 31 March, 2016 and 1 April, 2015 is as follows:

(Rs. in million)

Particulars	As at 31.03.2017	Fair value measurement at end of the reporting period/year using			Valuation techniques
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Investment in mutual funds	266.79	-	266.79	-	Based on the NAV report issued by the fund manager
<b>Total financial assets</b>	<b>266.79</b>	-	<b>266.79</b>	-	

(Rs. in million)

Particulars	As at 31.03.2016	Fair value measurement at end of the reporting period/year using			Valuation techniques
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Investment in mutual funds	357.28	-	357.28	-	Based on the NAV report issued by the fund manager
<b>Total financial assets</b>	<b>357.28</b>	-	<b>357.28</b>	-	

(Rs. in million)

Particulars	As at 01.04.2015	Fair value measurement at end of the reporting period/year using			Valuation techniques
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Investment in mutual funds	1,337.72	-	1,337.72	-	Based on the NAV report issued by the fund manager
<b>Total financial assets</b>	<b>1,337.72</b>	-	<b>1,337.72</b>	-	

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

41. During the year, post receipt of approval from the Central Government, the managerial remuneration of Rs. 7.25 million paid during the year ended 31 March, 2016, in excess of the limits prescribed under Section 197 read with Schedule V and applicable rules of the Companies Act, 2013, was adjusted with the remuneration to be paid/provided for the year ended 31 March 2017.
42. During the financial year 2013-14, the Company had raised funds of Rs. 9,608.22 million by way of Qualified Institutional Placement (QIP) and Preferential Issue of Equity Shares. Further, during the current financial year, the Company has also raised Rs. 1,424.34 million by way of Preferential Issue of Equity Shares(See note 44 for details of Preferential issue).

(Rs. in million)

Particulars		Amount
a.	12,466,321 equity shares by way of Qualified Institutional Placement (QIP) under chapter VIII of SEBI (ICDR) Regulation, 2009	2,711.43
b.	31,709,384 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009	6,896.79
c.	15,826,039 equity shares by way of a Preferential Issue under Chapter VII of SEBI (ICDR) Regulation, 2009	1,424.34
<b>Total</b>		<b>11,032.56</b>

The utilisation details of the above proceeds are as follows:

(Rs. in million)

Particulars		Amount
a.	Issue expenses incurred	296.68
b.	Utilisation for implementation of digital addressable system (DAS), broadband and other infrastructure and services	10,608.64
c.	Balance amount invested in fixed deposits*	127.24
<b>Total</b>		<b>11,032.56</b>

\*Includes Rs. 127.24 million under lien as margin money with banks/ financial institution against letters of credit/ bank guarantees/ term loans.

43. The Company has consolidated the unaudited financial statements / financial information of 5 of its subsidiaries based on the financial statements / financial information as certified by the Company's management and which have not been audited by the statutory auditors of these entities. These financial statements / financial information reflect total assets of Rs. 827.10 million as at 31 March, 2017, total revenues of Rs. 411.06 million and net cash inflows amounting to Rs. 5.72 million for the year ended 31 March, 2017, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also includes the Group's share of net loss of Rs. 38.62 million for the year ended 31 March, 2017, as considered in the consolidated Ind AS financial statements, in respect of 1 joint venture and 3 associates, based on their financial statements / financial information which have not been audited by their auditors. The management is of the view that the adjustments, if any, arising out of the audit of the financial statements / financial information of the subsidiaries, joint venture and associates will not have a material impact on the consolidated Ind AS financial statements.
44. During the year ended 31 March, 2017, the Securities Issue Committee of the Board of Directors at its meeting held on 27 October, 2016 has issued and allotted 15,826,039 equity shares of Rs. 10 each at a premium of Rs. 80 per share to the affiliates of Goldman Sachs Group, Inc. who form part of the persons belonging to Non Promoter category. With the aforesaid allotment, the holding of affiliates of the Goldman Sachs Group, Inc. has increased from 17.79% to 24.49%. The Company has received total allotment consideration of Rs. 1,424.34 million. The above issue was approved by shareholders in their Extra-ordinary General Meeting dated 14 October, 2016.
45. Exceptional items comprises the following:
- During the year ended 31 March, 2017, the Company has made a provision for impairment of goodwill on consolidation and intangible assets (brand) relating to Macro Commerce Private Limited amounting to Rs. 250.18 million.
  - During the year ended 31 March, 2017, the Company has incurred expenses of Rs. 56.63 million on account of separation pay paid to some employees as part of the organisational restructuring of the Company. The same has been disclosed as an exceptional item in the consolidated Ind AS financial statements.
  - Allowance for doubtful debts / advances of Digital Addressable System customers of Rs. 906.40 million. Pursuant to TRAI notification, Digital Addressable System (DAS) was implemented in a phased manner in select cities / towns in FY 2012-13 and FY 2013-14. The Company had not been able to finalise the agreements with distributors/ Local Cable operators for DAS areas and hence revenues were accounted for on a best estimate basis. Based on current market trends of DAS rates and discussions/negotiations with trade partners, the Company had made an assessment of its trade receivables of debtors pertaining to DAS areas and had accordingly made a allowance for doubtful debts of Rs. 906.40 million during the year ended 31 March, 2016.
  - During the year ended 31 March, 2016, the Company had made a provision for impairment of goodwill on consolidation of Rs. 159.70 million

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

- e. During the year ended 31 March, 2016, the Company had sold its entire 50% stake in Star Den Media Services Private Limited ('Star Den') to Star India Private Limited for a sales consideration of Rs. 403.50 million. The Company had a total investment of Rs. 25.00 million in Star Den. Accordingly, assets and liabilities of Consolidated Ind AS Financial Statements of Star Den do not form part of the Consolidated Balance Sheet of the Company w.e.f 31 March, 2016. Such deconsolidation of assets and liabilities resulted in a net loss of Rs. 50.10 million in the Consolidated Ind AS Financial Statements and the same was disclosed as an exceptional item.
- f. During the year ended 31 March, 2016, the Company had sold its investment in Den Sports Private Limited ('Den Sports') for a sales consideration of Rs. 215.00 million. Pursuant to this transaction and further to equity infusion by Wall Street Investments Limited in Den Sports, the Company's shareholding was diluted to 45% and Den Sports had become an associate company w.e.f 31 March, 2016. Accordingly, assets and liabilities of Consolidated Ind AS Financial Statements of Den Sports do not form part of the Consolidated Balance Sheet of the Company w.e.f 31 March, 2016. Such deconsolidation of assets and liabilities resulted in a net profit of Rs. 466.60 million in the Consolidated Ind AS Financial Statements and the same was disclosed as an exceptional item.

### 46. Additional information required to be given pursuant to Part II of Schedule III of the Companies Act, 2013

#### I. At the year end, unhedged foreign currency exposures are as follows:

(In million)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Rs.	In USD	Rs.	In USD	Rs.	In USD
Payables on purchase of property, plant and equipment	497.80	7.68	974.67	14.69	285.78	4.56
Buyer's credit on imports	1,040.90	16.06	2,895.33	43.65	3,347.20	53.47

#### II. Expenditure in foreign currency

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Repairs and maintenance - Others	12.93	30.89
Travelling and conveyance	0.41	1.06
Legal and professional charges	11.43	11.56
License fees	14.48	13.11
	<b>39.25</b>	<b>56.62</b>

#### III. Value of imports (calculated on a CIF basis)

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Capital goods	1,175.35	3,191.46

### 47. Expenditure on Corporate Social Responsibility (CSR)

- a. The provisions of section 135 of the Companies Act 2013 are applicable to the entities incorporated in India. Accordingly, the Group was required to spend Rs. 9.75 million (Previous year Rs. 11.29 million) during the year on account of expenditure towards Corporate Social Responsibility.
- b. Amount spent during the year ended 31 March, 2017

(Rs. in million)

Particulars	Paid (A)	Yet to be paid (B)	Total (A+B)
(i) Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	9.90	-	9.90
	(11.62)	(-)	(11.62)

Figures in bracket relates to previous year

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

c. Details of related party transactions:

- Contribution during the year ended 31 March, 2017 is Rs. Nil (Previous year Rs. Nil)
- Payable as at 31 March, 2017 is Rs. Nil (Previous year Rs. Nil)

48. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

### 49. Details and financial information of material joint ventures

Details of the Group's material joint ventures at the end of the reporting period are as follows:

S. No.	Name of joint ventures	Principal activity	Place of incorporation & principal place of business	Proportion of ownership interest/ voting rights held by the Group		
				As at	As at	As at
				31.03.2017	31.03.2016	01.04.2015
1.	Star Den Media Services Private Limited	Cable distribution business	New Delhi	-	-	50%
2.	Media Pro Enterprise India Private Limited	Cable distribution business	New Delhi	-	-	25%
3.	Macro Commerce Private Limited	TV Commerce Business	New Delhi	-	50%	50%

The above joint ventures are accounted for using the equity method in these Consolidated Ind AS Financial Statements.

### Summarised financial information in respect of each of the Group's material joint ventures is set out below.

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

#### 1. Star Den Media Services Private Limited- Standalone

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	-	-	378.45
Current assets	-	-	482.39
Non-current liabilities	-	-	20.05
Current liabilities	-	-	12.83

The above amounts of assets and liabilities includes the following:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Cash and cash equivalents	-	-	-
Current financial liabilities (excluding trade payables and provisions)	-	-	-
Non-current financial liabilities (excluding trade payables and provisions)	-	-	-

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Revenue	-	56.71
Profit /(Loss) for the year	-	8.73
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	8.73
Dividends received from the joint venture during the year	-	-
<b>The above profit/(loss) for the year include the following:</b>		
Depreciation and amortisation	-	0.64
Interest income	-	-
Interest expense	-	-
Income tax expense	-	0.97

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Reconciliation of the above summarised financial information to the carrying amount of interest in Star Den Media Services Private Limited- Standalone recognised in the Consolidated Ind AS Financial Statements :

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the joint venture	-	-	827.96
Proportion of the Group's ownership interest in Star Den Media Services Private Limited	-	-	50%
Goodwill	-	-	-
<b>* Carrying amount of the Group's effective interest in the standalone financial statements of Star Den Media Services Private Limited (See 1a for joint venture of Star Den Media Services Private Limited)</b>	-	-	<b>413.98</b>

Following is the 50% joint venture of Star Den Media Services Private Limited which have been accounted for using the equity method in these Consolidated Ind AS Financial Statements:

### 1a. Media Pro Enterprise India Private Limited

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	-	-	424.47
Current assets	-	-	72.91
Non-current liabilities	-	-	-
Current liabilities	-	-	449.38

The above amounts of assets and liabilities includes the following:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Cash and cash equivalents	-	-	-
Current financial liabilities (excluding trade payables and provisions)	-	-	-
Non-current financial liabilities (excluding trade payables and provisions)	-	-	-

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Revenue	-	14.29
Profit /(Loss) for the year	-	6.48
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	6.48
Dividends received from the joint venture during the year	-	-

The above profit/(loss) for the year include the following:

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Depreciation and amortisation	-	-
Interest income	-	-
Interest expense	-	-
Income tax expense	-	-

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Reconciliation of the above summarised financial information to the carrying amount of interest in Media Pro Enterprise India Private Limited recognised in the Consolidated Ind AS Financial Statements :

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the joint venture	-	-	48.00
Proportion of the Group's effective ownership interest in Media Pro Enterprise India Private Limited	-	-	25%
Goodwill	-	-	-
<b>Carrying amount of the Group's effective interest in Media Pro Enterprise India Private Limited included within the investment in Star Den Media Services Private Limited</b>	-	-	<b>12.00</b>
<b>*Carrying amount of the Group's effective interest in Star Den Media Services Private Limited (consolidated)</b>	-	-	<b>425.98</b>

### 2. Macro Commerce Private Limited ('MCPL')

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	-	18.53	9.89
Current assets	-	60.73	56.28
Non-current liabilities	-	0.76	1.23
Current liabilities	-	195.90	55.16

The above amounts of assets and liabilities includes the following:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Cash and cash equivalents	-	4.35	0.00
Current financial liabilities (excluding trade payables and provisions)	-	140.82	22.74
Non-current financial liabilities (excluding trade payables and provisions)	-	-	-

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Revenue	57.69	139.49
Profit /(Loss) for the year	4.95	(228.95)
Other comprehensive income for the year	-	(0.05)
Total comprehensive income/(Loss) for the year	4.95	(228.99)
Dividends received from the joint venture during the year	-	-
<b>The above profit (loss) for the year include the following:</b>		
Depreciation and amortisation	1.32	2.21
Interest income	-	1.96
Interest expense	2.08	0.00
Income tax expense	-	-

Reconciliation of the above summarised financial information to the carrying amount of interest in Macro Commerce Private Limited ('MCPL') recognised in the Consolidated Ind AS Financial Statements :

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the joint venture	-	(117.40)	9.78
Net assets of the joint venture considered for group ownership in MCPL	-	-	-
Proportion of the group's ownership interest in Macro Commerce Private Limited	-	50%	50%
Goodwill	-	-	-
<b>Carrying amount of the Group's interest in Macro Commerce Private Limited ('MCPL')</b>	-	-	<b>4.89</b>



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 50. Disclosures as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

(Rs. in million)

Particulars	As at	As at	As at
	31 March, 2017	31 March, 2016	1 April, 2015
(a) (i) the principal amount remaining unpaid to any supplier	-	-	-
(ii) interest due thereon	-	-	-
(b) interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day.	-	-	-
(c) interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(d) interest accrued and remaining unpaid	-	-	-
(e) further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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

52. The Board of Directors of the Company in its meeting held on 5 September, 2016 considered and approved a Scheme of Arrangement ("the Scheme") amongst DEN NETWORKS LIMITED ('Company') and SKYNET CABLE NETWORK PRIVATE LIMITED ('SKYNET'), a wholly owned subsidiary, in terms of provisions of sections 391 to 394 of the Companies Act, 1956. With effect from the Appointed date i.e. 1 April, 2016, the Internet Service Provider business ("Broadband") of the Company will be demerged into SKYNET. The Company has received No-objection/observation letter ('NOC') from the Stock Exchanges in terms of Regulation 37 of the SEBI (Listing obligations and Disclosure Requirements) Regulation 2015. Subsequent to said NOC, the Company has filed the scheme with the National Company Law Tribunal. The scheme has been approved by shareholders and unsecured creditors of the Company. Further, the scheme is subject to all other statutory approvals.

53. DEN FUTURISTIC CABLE NETWORK PRIVATE LIMITED ('Transferee'), a wholly owned subsidiary of the Company, has filed a composite Scheme of Arrangement ("the Scheme") with the National Company Law Tribunal (NCLT) in terms of the provisions of the Companies Act, 2013 for merger of 23 Subsidiaries and demerger of Cable Business of one subsidiary with the transferee company. The order of NCLT subsequent to this filing is awaited.

### 54. Details of material associates

Details of each of the Group's material associates at the end of the reporting year are as follows :

(Rs. in million)

S. No.	Name of associates	Principal activity	Place of incorporation & principal place of business	Proportion of ownership interest/ voting rights held by the Group		
				As at	As at	As at
				31.03.2017	31.03.2016	01.04.2015
1.	DEN ADN Network Private Limited	Cable distribution business	New Delhi	51%	51%	51%
2.	CCN DEN Network Private Limited	Cable distribution business	Delhi	51%	51%	51%
3.	Den Satellite Network Private Limited	Cable distribution business	Mumbai	50%	50%	50%

All the above associates are accounted for using the equity method in these Consolidated Ind AS Financial Statements.

**Summarised financial information in respect of each of the Group's material associates is set out below.**

The summarised financial information below represents amount shown in the associate's financial statement prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 1. DEN ADN Network Private Limited

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	205.02	217.24	235.22
Current assets	147.05	132.25	84.08
Non-current liabilities	34.56	28.34	39.39
Current liabilities	218.06	233.22	211.41

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Revenue	208.16	224.80
Profit/(Loss) for the year	11.55	19.48
Other comprehensive income for the year	(0.03)	(0.04)
Total comprehensive income for the year	11.52	19.44

Reconciliation of the above summarised financial information to the carrying amount of interest in DEN ADN Network Private Limited recognised in the Consolidated Ind AS Financial Statements:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the associate	99.45	87.93	68.49
Proportion of the Group's ownership interest in DEN ADN Network Private Limited	51%	51%	51%
Goodwill	(0.53)	(0.53)	(0.53)
<b>Carrying amount of the Group's interest in DEN ADN Network Private Limited</b>	<b>50.19</b>	<b>44.31</b>	<b>34.40</b>

### 2. CCN DEN Network Private Limited

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	409.95	415.49	427.53
Current assets	311.61	252.88	199.25
Non-current liabilities	73.31	59.21	81.33
Current liabilities	597.51	548.53	502.37

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Revenue	369.56	373.49
Profit/(Loss) for the year	(86.92)	28.01
Other comprehensive income for the year	0.03	0.03
Total comprehensive income/(Loss) for the year	(86.89)	28.04

Reconciliation of the above summarised financial information to the carrying amount of interest in CCN DEN Network Private Limited recognised in the Consolidated Ind AS Financial Statements:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the associate	50.74	60.63	43.08
Proportion of the Group's ownership interest in CCN DEN Network Private Limited	51%	51%	51%
Goodwill	-	-	-
<b>Carrying amount of the Group's interest in CCN DEN Network Private Limited</b>	<b>25.86</b>	<b>30.91</b>	<b>21.96</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 3. Den Satellite Network Private Limited- Standalone

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	1,027.65	1,003.18	1,159.15
Current assets	598.05	652.68	441.74
Non-current liabilities	255.00	209.31	243.06
Current liabilities	794.40	880.71	828.28

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Revenue	1,023.26	1,142.39
Profit/(Loss) for the year	10.52	46.90
Other comprehensive income for the year	0.23	(0.14)
Total comprehensive income for the year	10.75	46.76

Reconciliation of the above summarised financial information to the carrying amount of interest in Den Satellite Network Private Limited recognised in the Consolidated Ind AS Financial Statements:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the associate	576.30	565.84	529.55
Proportion of the Group's ownership interest in Den Satellite Network Private Limited	50%	50%	50%
Goodwill	301.88	301.88	301.88
<b>*Carrying amount of the Group's interest in the standalone financial statements of Den Satellite Network Private Limited (See 3a, 3b and 3c below for subsidiaries of Den Satellite Network Private Limited)</b>	<b>590.03</b>	<b>584.80</b>	<b>566.65</b>

Following are the subsidiaries of Den Satellite Network Private Limited which have been accounted for using the equity method in these Consolidated Ind AS Financial Statements:

#### 3a. DEN New Broad Communication Private Limited

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	147.16	146.56	107.30
Current assets	60.64	112.90	73.43
Non-current liabilities	75.39	68.46	44.25
Current liabilities	88.02	151.37	71.33

(Rs. in million)

Particulars	As at	As at
	31.03.2017	31.03.2016
Revenue	238.89	204.11
Profit/(Loss) for the year	4.71	(25.60)
Other comprehensive income for the year	0.05	0.08
Total comprehensive income/(Loss) for the year	4.76	(25.52)

Reconciliation of the above summarised financial information to the carrying amount of interest in DEN New Broad Communication Private Limited recognised in the Consolidated Ind AS Financial Statements:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the associate	44.37	39.63	65.15
Proportion of the Group's effective ownership interest in DEN New Broad Communication Private Limited	26%	26%	26%
Goodwill	51.47	51.47	51.47
<b>Carrying amount of the Group's effective interest in DEN New Broad Communication Private Limited included within investment in DEN Satellite Network Private Limited</b>	<b>62.78</b>	<b>61.57</b>	<b>68.08</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 3b. DEN ABC Cable Networks Ambarnath Private Limited

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	83.43	75.98	31.34
Current assets	13.64	21.53	15.29
Non-current liabilities	32.00	20.46	5.53
Current liabilities	31.21	49.97	26.23

(Rs. in million)

Particulars	As at	As at
	31.03.2017	31.03.2016
Revenue	94.22	47.27
Profit/(Loss) for the year	6.78	(7.76)
Other comprehensive income for the year	-	(0.03)
Total comprehensive income/(Loss) for the year	6.78	(7.79)

Reconciliation of the above summarised financial information to the carrying amount of interest in DEN ABC Cable Networks Ambarnath Private Limited recognised in the Consolidated Ind AS Financial Statements:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	01.04.2015	01.04.2015
Net assets of the associate	33.86	27.08	14.87
Proportion of the Group's effective ownership interest in DEN ABC Cable Networks Ambarnath Private Limited	26%	26%	26%
Goodwill	5.69	5.69	5.69
<b>Carrying amount of the Group's effective interest in DEN ABC Cable Networks Ambarnath Private Limited included within investment in Den Satellite Network Private Limited</b>	<b>14.32</b>	<b>12.59</b>	<b>9.48</b>

### 3c. Konark IP Dossiers Private Limited

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Non-current assets	128.10	150.96	64.82
Current assets	31.24	58.77	46.24
Non-current liabilities	47.07	38.39	12.00
Current liabilities	98.12	155.73	63.09

(Rs. in million)

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Revenue	183.31	110.25
Profit/(Loss) for the year	2.08	(20.36)
Other comprehensive income for the year	-	-
Total comprehensive income/(Loss) for the year	2.08	(20.36)

Reconciliation of the above summarised financial information to the carrying amount of interest in Konark IP Dossiers Private Limited recognised in the Consolidated Ind AS Financial Statements:

(Rs. in million)

Particulars	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015
Net assets of the associate	14.15	15.61	35.97
Proportion of the Group's ownership interest in Konark IP Dossiers Private Limited	25%	25%	25%
Goodwill	(1.94)	(1.94)	(1.94)
<b>Carrying amount of the Group's effective interest in Konark IP Dossiers Private Limited included within investment in Den Satellite Network Private Limited</b>	<b>1.60</b>	<b>1.97</b>	<b>7.06</b>
<b>* Carrying amount of the Group's effective interest in Den Satellite Network Private Limited (consolidated)</b>	<b>668.73</b>	<b>660.93</b>	<b>651.27</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 55. Non-controlling interests

#### Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

S. No.	Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit /(Loss) allocated to non-controlling interests		Accumulated non-controlling interests	
			31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
					(Rs. in million)	(Rs. in million)	(Rs. in million)	(Rs. in million)
1.	Den Enjoy Cable Networks Private Limited	India	49%	49%	(66.94)	(40.62)	258.55	191.61
2.	Den Ambey Cable Networks Private Limited	India	39%	39%	55.03	46.77	(216.21)	(161.18)
3.	Den F K Cable Tv Network Private Limited	India	49%	49%	(10.16)	(6.84)	52.49	42.33
4.	Eminent Cable Network Private Limited	India	44%	44%	(18.11)	(9.30)	53.70	35.59
5.	Individually immaterial subsidiaries with non-controlling interests						747.87	597.37
	<b>Total</b>						<b>896.40</b>	<b>705.72</b>

S. No.	Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests	Accumulated non-controlling interests
			As at 01.04.2015	As at 01.04.2015 (Rs. in million)
1.	Den Enjoy Cable Networks Private Limited	India	49%	168.14
2.	Den Ambey Cable Networks Private Limited	India	39%	(110.04)
3.	Den F K Cable Tv Network Private Limited	India	49%	35.49
4.	Eminent Cable Network Private Limited	India	44%	26.29
5.	Individually immaterial subsidiaries with non-controlling interests			449.13
	<b>Total</b>			<b>789.08</b>

Summarised financial information in respect of each of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

#### 1. Den Enjoy Cable Networks Private Limited

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current assets	508.13	561.17	509.20
Current assets	362.54	252.37	276.03
Non-current liabilities	159.17	169.03	178.50
Current liabilities	183.85	253.48	263.59
Equity attributable to owners of the Company	269.10	199.43	175.00
Non-controlling interests	258.55	191.61	168.14

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Revenue	578.52	398.08
Expenses	(441.88)	(315.25)
<b>Profit / (Loss) for the year</b>	<b>136.63</b>	<b>82.84</b>
Profit / (Loss) attributable to owners of the Company	69.68	42.25
Profit / (Loss) attributable to the non-controlling interests	66.95	40.59
<b>Profit / (Loss) for the year</b>	<b>136.63</b>	<b>82.84</b>
Other comprehensive income attributable to owners of the Company	(0.01)	0.03
Other comprehensive income attributable to the non-controlling interests	(0.01)	0.03
<b>Other comprehensive income for the year</b>	<b>(0.02)</b>	<b>0.06</b>
Total comprehensive income attributable to owners of the Company	69.67	42.28
Total comprehensive income attributable to the non-controlling interests	66.94	40.62
<b>Total comprehensive income for the year</b>	<b>136.61</b>	<b>82.90</b>
Dividends paid to non-controlling interests	-	-
Net cash inflow / (outflow) from operating activities	124.79	203.97
Net cash inflow / (outflow) from investing activities	(69.97)	(117.21)
Net cash inflow / (outflow) from financing activities	(40.90)	(82.48)
<b>Net cash inflow (outflow)</b>	<b>13.92</b>	<b>4.28</b>

### 2. Den Ambey Cable Networks Private Limited

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current assets	794.82	843.44	816.41
Current assets	259.53	322.49	256.45
Non-current liabilities	248.32	346.10	283.94
Current liabilities	251.65	406.55	506.77
Equity attributable to owners of the Company	338.17	252.10	172.11
Non-controlling interests	216.21	161.18	110.04

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Revenue	784.76	552.36
Expenses	(643.58)	(432.46)
<b>Profit/(Loss) for the year</b>	<b>141.18</b>	<b>119.90</b>
Profit/(Loss) attributable to owners of the Company	86.12	73.14
Profit/(Loss) attributable to the non-controlling interests	55.06	46.76
<b>Profit/(Loss) for the year</b>	<b>141.18</b>	<b>119.90</b>
Other comprehensive income attributable to owners of the Company	(0.05)	0.01
Other comprehensive income attributable to the non-controlling interests	(0.03)	0.01
<b>Other comprehensive income for the year</b>	<b>(0.08)</b>	<b>0.02</b>
Total comprehensive income attributable to owners of the Company	86.07	73.15
Total comprehensive income attributable to the non-controlling interests	55.03	46.77
<b>Total comprehensive income for the year</b>	<b>141.10</b>	<b>119.92</b>
Dividends paid to non-controlling interests	-	-
Net cash inflow / (outflow) from operating activities	189.18	246.19
Net cash inflow / (outflow) from investing activities	(108.00)	(150.49)
Net cash inflow / (outflow) from financing activities	(87.65)	(66.45)
<b>Net cash inflow (outflow)</b>	<b>(6.48)</b>	<b>29.24</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 3. Den F K Cable Tv Network Private Limited

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current assets	162.06	185.90	88.70
Current assets	118.55	67.07	31.28
Non-current liabilities	66.88	64.42	7.16
Current liabilities	106.61	102.16	40.40
Equity attributable to owners of the Company	54.63	44.06	36.93
Non-controlling interests	52.49	42.33	35.49

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Revenue	97.48	64.15
Expenses	(76.64)	(50.39)
<b>Profit / (Loss) for the year</b>	<b>20.85</b>	<b>13.76</b>
Profit / (Loss) attributable to owners of the Company	10.63	7.02
Profit / (Loss) attributable to the non-controlling interests	10.22	6.74
<b>Profit / (Loss) for the year</b>	<b>20.85</b>	<b>13.76</b>
Other comprehensive income attributable to owners of the Company	0.06	0.10
Other comprehensive income attributable to the non-controlling interests	0.06	0.10
<b>Other comprehensive income for the year</b>	<b>0.11</b>	<b>0.20</b>
Total comprehensive income attributable to owners of the Company	10.57	7.12
Total comprehensive income attributable to the non-controlling interests	10.16	6.84
<b>Total comprehensive income for the year</b>	<b>20.73</b>	<b>13.96</b>
Dividends paid to non-controlling interests	-	-
Net cash inflow / (outflow) from operating activities	41.27	68.04
Net cash inflow / (outflow) from investing activities	(35.18)	(94.11)
Net cash inflow / (outflow) from financing activities	(3.12)	39.86
<b>Net cash inflow (outflow)</b>	<b>2.97</b>	<b>13.78</b>

### 4. Eminent Cable Network Private Limited

(Rs. in million)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Non-current assets	350.32	379.55	292.20
Current assets	173.84	144.39	98.33
Non-current liabilities	116.43	121.00	102.76
Current liabilities	285.68	322.05	228.03
Equity attributable to owners of the Company	68.35	45.30	33.46
Non-controlling interests	53.70	35.59	26.29

(Rs. in million)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Revenue	353.03	259.84
Expenses	(312.14)	(238.53)
<b>Profit / (Loss) for the year</b>	<b>40.89</b>	<b>21.31</b>
Profit / (Loss) attributable to owners of the Company	22.90	11.93
Profit / (Loss) attributable to the non-controlling interests	17.99	9.38
<b>Profit / (Loss) for the year</b>	<b>40.89</b>	<b>21.31</b>
Other comprehensive income attributable to owners of the Company	0.15	(0.10)
Other comprehensive income attributable to the non-controlling interests	0.12	(0.08)
<b>Other comprehensive income for the year</b>	<b>0.27</b>	<b>(0.17)</b>
Total comprehensive income attributable to owners of the Company	23.05	11.84
Total comprehensive income attributable to the non-controlling interests	18.11	9.30
<b>Total comprehensive income for the year</b>	<b>41.16</b>	<b>21.14</b>
Dividends paid to non-controlling interests	-	-
Net cash inflow / (outflow) from operating activities	59.61	132.60
Net cash inflow / (outflow) from investing activities	(0.77)	(101.58)
Net cash inflow / (outflow) from financing activities	(47.15)	(43.45)
<b>Net cash inflow (outflow)</b>	<b>11.69</b>	<b>(12.43)</b>

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**56. Disclosure of the additional information as required by the Schedule III:**  
**a) As at and for the year ended 31 March, 2017**

Parent	Net Assets, i.e., total assets minus total liability		Share in profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated (Profit)/ Loss	Amount Profit/(Loss)	As % of consolidated other comprehensive income	Amount Income/(Loss)	As % of consolidated total comprehensive Income/Loss	Amount Income/(Loss)
	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)
<b>DEN NETWORKS LIMITED</b>	95.720%	9,583.71	122.161%	(2,567.61)	121.452%	6.67	122.163%	(2,560.94)
<b>Subsidiaries</b>								
1 Den Kashi Cable Network Private Limited	0.207%	20.69	0.229%	(4.81)	-	-	0.229%	(4.81)
2 Ambika Den Cable Network Private Limited	0.003%	0.32	0.005%	(0.10)	-	-	0.005%	(0.10)
3 Amogh Broad Band Services Private Limited	1.799%	180.14	2.348%	(49.58)	1.639%	0.05	2.350%	(49.53)
4 Antique Communications Private Limited	(0.007%)	(0.72)	(0.006%)	0.12	-	-	(0.006%)	0.12
5 Aster Entertainment Private Limited	1.401%	140.32	(0.057%)	1.20	-	-	(0.057%)	1.20
6 Bali Den Cable Network Private Limited	0.019%	1.91	0.114%	(2.40)	(0.546%)	(0.03)	0.116%	(2.43)
7 Big DEN Entertainment Private Limited	0.039%	3.90	0.098%	(2.07)	-	-	0.099%	(2.07)
8 Cab-I-Net Communications Private Limited	(0.059%)	(5.90)	0.207%	(4.36)	-	-	0.208%	(4.36)
9 Crystal Vision Media Private Limited	0.292%	29.25	(0.103%)	2.16	2.549%	0.14	(0.110%)	2.30
10 Den A.F. Communication Private Limited	0.002%	0.19	0.002%	(0.04)	-	-	0.002%	(0.04)
11 Den Aman Entertainment Private Limited	0.060%	6.04	0.081%	(1.71)	(8.012%)	(0.44)	0.103%	(2.15)
12 Den Ambey Cable Networks Private Limited	3.467%	347.09	(6.704%)	141.18	(2.185%)	(0.08)	(6.716%)	141.10
13 Den Ashu Cable Private Limited	0.165%	16.50	0.164%	(3.44)	(0.364%)	(0.02)	0.165%	(3.46)
14 Den Bcn Suncity Network Private Limited	0.009%	0.93	0.050%	(1.06)	4.006%	0.22	0.040%	(0.84)
15 Den Bellary City Cable Private Limited	(0.069%)	(6.88)	0.332%	(6.98)	0.182%	0.01	0.332%	(6.97)
16 Den Bindra Network Private Limited	0.0001%	0.01	0.023%	(0.49)	0.364%	0.02	0.022%	(0.47)
17 Den Budaun Cable Network Private Limited	0.007%	0.71	0.092%	(1.94)	-	-	0.093%	(1.94)
18 Den Citi Channel Private Limited	0.025%	2.55	0.064%	(1.34)	(0.546%)	(0.03)	0.065%	(1.37)
19 Den Classic Cable Tv Services Private Limited	(0.026%)	(2.64)	0.139%	(2.92)	0.364%	0.02	0.138%	(2.90)
20 Den Crystal Vision Network Private Limited	(0.004%)	(0.45)	0.052%	(1.10)	-	-	0.052%	(1.10)
21 Den Digital Cable Network Private Limited	0.243%	24.31	(0.177%)	3.72	(3.642%)	(0.20)	(0.168%)	3.52
22 Den Digital Entertainment Gujarat Private Limited	0.786%	78.71	0.259%	(5.45)	-	-	0.260%	(5.45)
23 Den Elgee Cable Vision Private Limited	0.026%	2.62	0.000%	0.01	0.728%	0.04	(0.002%)	0.05
24 Den Enjoy Cable Networks Private Limited	2.688%	269.10	(6.501%)	136.63	(0.364%)	(0.02)	(6.517%)	136.61
25 Den Entertainment Network Private Limited	1.601%	160.31	0.203%	(4.26)	-	-	0.203%	(4.26)
26 Den F K Cable TV Network Private Limited	0.546%	54.63	(0.992%)	20.84	(2.003%)	(0.11)	(0.989%)	20.73
27 Den Fateh Marketing Private Limited	(0.141%)	(14.14)	0.113%	(2.38)	-	-	0.114%	(2.38)



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Name of the entity in the Group	Net Assets, i.e., total assets minus total liability		Share in profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated (Profit)/ Loss	Amount Profit/(Loss)	As % of consolidated other comprehensive income	Amount Income/(Loss)	As % of consolidated total comprehensive Income/(Loss)	Amount Income/(Loss)
	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)
28 Den Futuristic Cable Networks Private Limited	0.440%	44.01	0.079%	(1.66)	-	-	0.079%	(1.66)
29 Den Harsh Mann Cable Network Private Limited	(0.022%)	(2.24)	0.175%	(3.67)	(2.185%)	(0.12)	0.181%	(3.79)
30 Den Infoking Channel Entertainers Private Limited	0.069%	6.90	0.105%	(2.21)	0.364%	0.02	0.104%	(2.19)
31 Den Jai Ambeey Vision Cable Private Limited	(0.013%)	(1.32)	0.029%	(0.62)	-	-	0.030%	(0.62)
32 Den Kattakada Telecasting and Cable Services Private Limited	(0.140%)	(14.00)	0.196%	(4.12)	-	-	0.197%	(4.12)
33 Den Krishna Cable Tv Network Private Limited	0.355%	35.50	0.020%	(0.41)	(1.093%)	(0.06)	0.022%	(0.47)
34 Den Krishna Vision Private Limited	(0.013%)	(1.30)	(0.011%)	0.23	-	-	(0.011%)	0.23
35 Den Maa Sharda Vision Cable Networks Private Limited	0.101%	10.11	(0.171%)	3.60	2.003%	0.11	(0.177%)	3.71
36 Den Mahendra Satellite Private Limited	0.005%	0.46	(0.023%)	0.48	(0.182%)	(0.01)	(0.022%)	0.47
37 Den Malabar Cable Vision Private Limited	(0.033%)	(3.26)	0.131%	(2.75)	-	-	0.131%	(2.75)
38 Den Malayalam Telenet Private Limited	(0.027%)	(2.75)	0.272%	(5.71)	0.182%	0.01	0.272%	(5.70)
39 Den MCN Cable Network Private Limited	(0.194%)	(19.45)	0.003%	(0.06)	-	-	0.003%	(0.06)
40 Den Mewar Rajdev Cable Network Private Limited	(0.095%)	(9.47)	0.116%	(2.43)	(0.364%)	(0.02)	0.117%	(2.45)
41 Den Mod Max Cable Network Private Limited	(0.003%)	(0.31)	0.073%	(1.53)	0.182%	0.01	0.073%	(1.52)
42 Den Montooshah Network Private Limited	0.041%	4.12	(0.005%)	0.11	0.546%	0.03	(0.007%)	0.14
43 Den Narmada Network Private Limited	(0.001%)	(0.08)	0.015%	(0.31)	-	-	0.015%	(0.31)
44 Den Nashik City Cable Network Private Limited	0.095%	9.50	0.248%	(5.22)	-	-	0.249%	(5.22)
45 Den Pawan Cable Network Private Limited	0.058%	5.79	0.554%	(11.64)	0.182%	0.01	0.555%	(11.63)
46 Den Pradeep Cable Network Private Limited	(0.019%)	(1.90)	0.056%	(1.17)	-	-	0.056%	(1.17)
47 Den Prayag Cable Networks Private Limited	0.211%	21.11	(0.612%)	12.86	0.364%	0.02	(0.614%)	12.88
48 Den Prince Network Private Limited	(0.050%)	(5.05)	0.050%	(1.05)	0.728%	0.04	0.048%	(1.01)
49 Den Radiant Satellite Cable Network Private Limited	0.023%	2.29	0.020%	(0.41)	-	-	0.020%	(0.41)
50 Den RIS Cable Network Private Limited	0.022%	2.25	0.001%	(0.03)	-	-	0.001%	(0.03)
51 Den Sahyog Cable Network Private Limited	(0.024%)	(2.39)	0.019%	(0.40)	(2.913%)	(0.16)	0.027%	(0.56)
52 Den Sariga Communications Private Limited	0.003%	0.31	0.068%	(1.42)	-	-	0.068%	(1.42)

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Name of the entity in the Group	Net Assets, i.e., total assets minus total liability		Share in profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated (Profit)/ Loss	Amount Profit/(Loss)	As % of consolidated other comprehensive income	Amount Income/(Loss)	As % of consolidated total comprehensive Income/Loss	Amount Income/(Loss)
	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)
53	Den Satellite Cable Tv Network Private Limited	(0.144%)	(14.42)	0.006%	(0.12)	-	0.006%	(0.12)
54	Den Shiva Cable Network Private Limited	(0.052%)	(5.20)	0.019%	(0.39)	-	0.019%	(0.39)
55	Den Sky Media Network Private Limited	1.834%	183.60	0.006%	(0.12)	-	0.006%	(0.12)
56	Den Steel City Cable Network Private Limited	(0.026%)	(2.65)	0.047%	(0.98)	-	0.047%	(0.98)
57	Den Supreme Satellite Vision Private Limited	0.082%	8.17	0.001%	(0.03)	0.182%	0.001%	(0.02)
58	Den Ucn Network India Private Limited	(0.025%)	(2.51)	0.093%	(1.95)	-	0.093%	(1.95)
59	Den Varun Cable Network Private Limited	0.040%	3.96	0.135%	(2.83)	(0.728%)	0.137%	(2.87)
60	Den-Manoranjan Satellite Private Limited	0.348%	34.89	(0.668%)	14.03	(0.728%)	(0.667%)	13.99
61	Disk Cable Network Private Limited	0.041%	4.10	0.001%	(0.03)	-	0.001%	(0.03)
62	Drashti Cable Network Private Limited	(0.079%)	(7.92)	(0.291%)	6.11	(0.182%)	(0.291%)	6.10
63	Fab Den Network Private Limited	0.086%	8.62	0.039%	(0.82)	10.561%	0.011%	(0.24)
64	Fortune (Baroda) Network Private Limited	(0.017%)	(1.73)	(0.085%)	1.79	(0.182%)	(0.085%)	1.78
65	Galaxy Den Media & Entertainment Private Limited	0.026%	2.62	0.000%	-	-	-	-
66	Gemini Cable Network Private Limited	0.161%	16.11	(0.105%)	2.20	1.457%	(0.109%)	2.28
67	Den Patel Entertainment Network Private Limited	(0.012%)	(1.16)	0.025%	(0.53)	-	0.025%	(0.53)
68	Mahadev Den Cable Network Private Limited	(0.176%)	(17.60)	0.003%	(0.06)	-	0.003%	(0.06)
69	Mahadev Den Network Private Limited	(0.067%)	(6.73)	0.008%	(0.17)	-	0.008%	(0.17)
70	Mahavir Den Entertainment Private Limited	0.241%	24.17	(1.013%)	21.30	0.546%	(1.017%)	21.33
71	Matrix Cable Network Private Limited	0.044%	4.39	(0.019%)	0.39	-	(0.019%)	0.39
72	Meerut Cable Network Private Limited	0.285%	28.50	(0.079%)	1.66	(15.659%)	(0.038%)	0.80
73	Multi Channel Cable Network Private Limited	(0.119%)	(11.91)	0.028%	(0.58)	-	0.028%	(0.58)
74	Multi Star Cable Network Private Limited	(0.007%)	(0.70)	0.072%	(1.52)	(0.728%)	0.074%	(1.56)
75	Radiant Satellite (India) Private Limited	(0.215%)	(21.57)	0.000%	-	-	0.000%	-
76	Den Rajkot City Communication Private Limited	0.107%	10.67	(1.038%)	21.81	0.182%	(1.041%)	21.82
77	Sanmati Den Cable Tv Network Private Limited	(0.017%)	(1.72)	0.004%	(0.09)	-	0.004%	(0.09)
78	Sanmati Entertainment Private Limited	(0.011%)	(1.13)	0.032%	(0.68)	-	0.032%	(0.68)
79	Shaakumbhari Den Media Private Limited	(0.030%)	(3.05)	(0.017%)	0.35	(0.728%)	(0.015%)	0.31
80	Shine Cable Network Private Limited	0.047%	4.73	(0.173%)	3.63	-	(0.173%)	3.63

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Name of the entity in the Group	Net Assets, i.e., total assets minus total liability		Share in profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated (Profit)/ Loss	Amount Profit/(Loss)	As % of consolidated other comprehensive income	Amount Income/(Loss)	As % of consolidated total comprehensive Income/(Loss)	Amount Income/(Loss)
	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)
81 Shree Siddhivinayak Cable Network Private Limited	(0.138%)	(13.83)	0.068%	(1.42)	-	-	0.068%	(1.42)
82 Silverline Television Network Private Limited	0.051%	5.07	(0.075%)	1.58	-	-	(0.075%)	1.58
83 Sree Gokulam Starnet Communication Private Limited	(0.099%)	(9.95)	0.015%	(0.31)	-	-	0.015%	(0.31)
84 United Cable Network (Digital) Private Limited	(0.006%)	(0.65)	(0.001%)	0.03	(0.182%)	(0.01)	(0.001%)	0.02
85 Victor Cable TV Network Private Limited	(0.090%)	(9.02)	0.036%	(0.76)	(2.185%)	(0.12)	0.042%	(0.88)
86 VM Magic Entertainment Private Limited	0.027%	2.74	0.026%	(0.54)	-	-	0.026%	(0.54)
87 Shree Ram Den Network Private Limited	-	-	-	-	-	-	-	-
88 Den Ambey Citi Cable Network Private Limited	0.016%	1.61	0.034%	(0.72)	0.182%	0.01	0.034%	(0.71)
89 Den Deva Cable Network Private Limited	0.003%	0.26	(0.023%)	0.48	(1.093%)	(0.06)	(0.020%)	0.42
90 Den Ambey Jhansi Cable Network Private Limited	0.059%	5.87	0.086%	(1.81)	(0.546%)	(0.03)	0.088%	(1.84)
91 Den Ambey Farukabad Cable Network Private Limited	0.039%	3.94	0.144%	(3.02)	(1.457%)	(0.08)	0.148%	(3.10)
92 Star Channel Den Network Private Limited	0.009%	0.94	0.013%	(0.28)	(0.182%)	(0.01)	0.014%	(0.29)
93 Saturn Digital Cable Private Limited	0.021%	2.15	(0.016%)	0.34	-	-	(0.016%)	0.34
94 Den Nana Communication Private Limited	(0.043%)	(4.32)	(0.004%)	0.08	-	-	(0.004%)	0.08
95 Den Saya Channel Network Private Limited	0.004%	0.43	(0.253%)	5.31	0.546%	0.03	(0.255%)	5.34
96 Den Faction Communication System Private Limited	(0.220%)	(22.00)	0.010%	(0.22)	(2.549%)	(0.14)	0.017%	(0.36)
97 Fun Cable Network Private Limited	(0.057%)	(5.71)	0.015%	(0.32)	-	-	0.015%	(0.32)
98 Den Enjoy Navaratan Network Private Limited	0.150%	15.01	(1.654%)	34.76	(0.546%)	(0.03)	(1.657%)	34.73
99 Kishna DEN Cable Network Private Limited	(0.011%)	(1.08)	0.091%	(1.91)	-	-	0.091%	(1.91)
100 Divya Drishti Den Network Private Limited	0.003%	0.33	0.043%	(0.90)	-	-	0.043%	(0.90)
101 DEN Badhoi Cable Network Private Limited	0.004%	0.44	0.034%	(0.71)	-	-	0.034%	(0.71)
102 Kerala Entertainment Private Limited	0.167%	16.75	0.236%	(4.95)	0.182%	0.01	0.236%	(4.94)
103 Rajasthan Entertainment Private Limited	0.074%	7.36	0.021%	(0.45)	-	-	0.021%	(0.45)
104 Uttar Pradesh Digital Cable Network Private Limited	0.111%	11.10	0.089%	(1.88)	-	-	0.090%	(1.88)

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Name of the entity in the Group	Net Assets, i.e., total assets minus total liability		Share in profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated (Profits)/ Loss	Amount Profit/(Loss)	As % of consolidated other comprehensive income	Amount Income/(Loss)	As % of consolidated total comprehensive Income/(Loss)	Amount Income/(Loss)
	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)
105	0.007%	0.74	0.079%	(1.65)	(0.728%)	(0.04)	0.081%	(1.69)
106	0.004%	0.37	0.000%	(0.01)	-	-	0.000%	(0.01)
107	0.683%	68.36	(1.945%)	40.89	4.916%	0.27	(1.963%)	41.16
108	(0.024%)	(2.42)	(0.360%)	7.56	-	-	(0.361%)	7.56
109	0.054%	5.39	0.129%	(2.72)	-	-	0.130%	(2.72)
110	(0.010%)	(1.03)	0.016%	(0.34)	-	-	0.016%	(0.34)
111	0.207%	20.68	(0.110%)	2.31	(2.185%)	(0.12)	(0.104%)	2.19
112	(0.001%)	(0.07)	0.004%	(0.09)	-	-	0.004%	(0.09)
113	(0.017%)	(1.68)	0.040%	(0.85)	-	-	0.041%	(0.85)
114	0.002%	0.18	0.084%	(1.76)	-	-	0.084%	(1.76)
115	0.005%	0.46	0.100%	(2.10)	-	-	0.100%	(2.10)
116	(0.003%)	(0.29)	0.002%	(0.05)	-	-	0.002%	(0.05)
117	(0.070%)	(6.97)	0.111%	(2.34)	-	-	0.112%	(2.34)
118	(0.017%)	(1.68)	0.032%	(0.67)	-	-	0.032%	(0.67)
119	0.313%	31.33	(0.013%)	0.28	-	-	(0.013%)	0.28
120	0.281%	28.16	0.298%	(6.27)	0.182%	0.01	0.299%	(6.26)
121	(0.003%)	(0.26)	0.129%	(2.71)	-	-	0.129%	(2.71)
122	0.001%	0.15	0.056%	(1.18)	-	-	0.056%	(1.18)
123	(0.003%)	(0.29)	0.043%	(0.91)	-	-	0.043%	(0.91)
124	0.001%	0.06	0.025%	(0.52)	-	-	0.025%	(0.52)
125	2.488%	249.07	(3.248%)	68.26	(6.555%)	(0.36)	(3.239%)	67.90
126	0.028%	2.78	0.038%	(0.79)	-	-	0.038%	(0.79)
127	0.164%	16.44	(0.629%)	13.21	(0.182%)	(0.01)	(0.630%)	13.20
128	(0.058%)	(5.84)	0.004%	(0.09)	-	-	0.004%	(0.08)
129	0.156%	15.65	(0.827%)	17.39	-	-	(0.830%)	17.39
130	0.012%	1.20	0.023%	(0.48)	(0.182%)	(0.01)	0.023%	(0.49)
131	0.005%	0.54	0.026%	(0.54)	(0.182%)	(0.01)	0.026%	(0.55)
132	(0.018%)	(1.78)	(0.032%)	0.67	-	-	(0.032%)	0.67
133	0.004%	0.43	0.028%	(0.58)	-	-	0.028%	(0.58)
134	0.013%	1.31	0.020%	(0.43)	-	-	0.021%	(0.43)

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Name of the entity in the Group	Net Assets, i.e., total assets minus total liability		Share in profit / (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated (Profit)/ Loss	Amount Profit/(Loss)	As % of consolidated other comprehensive income	Amount Income/(Loss)	As % of consolidated total comprehensive Income/Loss	Amount Income/(Loss)
	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)	(in %)	(Rs. in million)
135 ABC Cable Network Private Limited	0.006%	0.59	0.049%	(1.04)	-	-	0.050%	(1.04)
136 Den MTN Star Vision Cable Private Limited	0.008%	0.81	0.068%	(1.42)	-	-	0.068%	(1.42)
137 Macro Commerce Private Limited	(2.022%)	(202.49)	0.059%	(1.24)	-	-	0.059%	(1.24)
138 Pee Cee Cable Network Private Limited	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>114.199%</b>	<b>11,433.91</b>	<b>103.873%</b>	<b>(2,183.18)</b>	<b>92.864%</b>	<b>5.10</b>	<b>103.902%</b>	<b>(2,178.08)</b>
<b>Associates (Investments as per equity method)</b>								
1 Den Satellite Network Private Limited	-	-	(0.414%)	8.71	2.326%	0.13	(0.422%)	8.84
2 DEN ADN Network Private Limited	-	-	(0.414%)	5.89	(0.278%)	(0.02)	(0.280%)	5.87
3 CCN DEN Network Private Limited	-	-	2.108%	(44.31)	0.278%	0.02	2.113%	(44.29)
<b>Less:</b>								
Adjustment arising out of consolidation	(23.152%)	2,318.08	(15.092%)	(317.20)	-	-	(15.131%)	(317.20)
Non-controlling interests in subsidiaries	8.953%	(896.40)	9.806%	206.14	4.810%	(0.26)	9.819%	205.88
<b>Total</b>	<b>100.00%</b>	<b>10,012.23</b>	<b>100.000%</b>	<b>(2,101.83)</b>	<b>100.000%</b>	<b>5.49</b>	<b>100.000%</b>	<b>(2,096.34)</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### 57. First-time Ind AS adoption reconciliations

#### a) Effect of Ind AS adoption on the Consolidated Balance Sheet as at 31 March, 2016 and 1 April, 2015

Particulars	Notes	As at 31 March, 2016 (End of last period presented under previous GAAP)		As at 1 April, 2015 (Date of transition)					
		Previous GAAP*	Effect of Transition to Ind AS	Previous GAAP to Ind AS	Previous GAAP*	Effect of Transition to Ind AS	Previous GAAP to Ind AS		
								(Rs. in million)	
<b>A. ASSETS</b>									
<b>1. Non-current assets</b>									
(a) Property, plant and equipment	h	13,466.60	(1,346.00)	12,120.60	11,121.88	(1,259.91)	9,861.97		
(b) Capital work-in-progress	h	1,411.25	(123.05)	1,288.20	1,103.49	(61.77)	1,041.72		
(c) Goodwill on consolidation	h	2,845.38	(357.54)	2,487.84	2,990.19	(358.53)	2,631.66		
(d) Other intangible assets	h	153.10	(23.36)	129.74	138.62	(36.52)	102.10		
(e) Financial assets									
(i) Investments									
(a) in associates	h	-	736.15	736.15	-	707.63	707.63		
(b) in joint ventures	h	-	-	-	-	430.87	430.87		
(ii) Others financial assets	b, h	228.41	6.57	234.98	1,221.45	(736.45)	485.00		
(f) Non current tax assets	h	1,310.75	(26.59)	1,284.16	1,079.04	0.00	1,079.04		
(g) Deferred tax assets (net)	h, i	397.73	409.53	807.26	419.54	283.70	703.24		
(h) Other non-current assets	b, h	434.83	(156.90)	277.93	579.22	(229.51)	349.71		
<b>Total non-current assets</b>		<b>20,248.05</b>	<b>(881.19)</b>	<b>19,366.86</b>	<b>18,653.43</b>	<b>(1,260.49)</b>	<b>17,392.94</b>		
<b>2. Current assets</b>									
(a) Financial assets									
(i) Investments	c, h	350.08	7.20	357.28	1,452.30	(114.58)	1,337.72		
(ii) Trade receivables	d, h	3,985.91	(1,360.29)	2,625.62	3,980.06	(1,185.20)	2,794.86		
(iii) Cash and cash equivalents	h	1,848.41	(243.33)	1,605.08	1,534.22	(259.27)	1,274.95		
(iv) Bank balances other than cash and cash equivalents		3,535.51	-	3,535.51	6,671.62	-	6,671.62		
(v) Loans	h	301.09	430.03	731.12	-	374.62	374.62		
(vi) Other financial assets	b, h	594.29	(307.86)	286.43	868.14	(170.28)	697.86		
(b) Other current assets	b, h	738.23	67.07	805.30	461.89	10.58	472.47		
<b>Total current assets</b>		<b>11,353.52</b>	<b>(1,407.18)</b>	<b>9,946.34</b>	<b>14,968.23</b>	<b>(1,344.13)</b>	<b>13,624.10</b>		
<b>Total assets</b>		<b>31,601.57</b>	<b>(2,288.37)</b>	<b>29,313.20</b>	<b>33,621.66</b>	<b>(2,604.62)</b>	<b>31,017.04</b>		

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Particulars	Notes	As at 31 March, 2016 (End of last period presented under previous GAAP)			As at 1 April, 2015 (Date of transition)		
		Previous GAAP*	Effect of Transition to Ind AS	Previous GAAP to Ind AS	Previous GAAP*	Effect of Transition to Ind AS	Previous GAAP to Ind AS
		(Rs. in million)					
<b>B. EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity share capital		1,777.42	-	1,777.42	-	1,777.42	-
(b) Other equity		12,759.53	(4,839.87)	7,919.66	(3,188.27)	12,128.40	-
<b>Equity attributable to owners of the Company</b>		<b>14,536.95</b>	<b>(4,839.87)</b>	<b>9,697.08</b>	<b>(3,188.27)</b>	<b>13,905.82</b>	<b>-</b>
Non-controlling interest	a, h	-	705.72	705.72	-	789.08	-
<b>Total equity (shareholders' funds under previous GAAP)</b>		<b>14,536.95</b>	<b>(4,134.15)</b>	<b>10,402.80</b>	<b>(2,399.19)</b>	<b>14,694.90</b>	<b>-</b>
<b>Preference shares issued outside the Group</b>	b	25.00	(25.00)	-	(25.00)	-	-
<b>Minority Interest (previous GAAP)</b>	a, h	1,883.44	(1,883.44)	-	(1,654.54)	-	-
<b>1. Non-current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings	b, h	3,271.01	6.05	3,277.06	(3.63)	3,376.07	-
(ii) Other financial liabilities		3.21	-	3.21	-	3.53	-
(b) Deferred tax liabilities (net)	h	53.26	(47.67)	5.59	(50.67)	5.71	-
(c) Provisions	h	131.19	(49.19)	82.00	(33.58)	65.75	-
(d) Other non-current liabilities	e, h	0.98	3,896.50	3,897.48	1.22	2,378.87	-
<b>Total non-current liabilities</b>		<b>3,459.65</b>	<b>3,805.69</b>	<b>7,265.34</b>	<b>2,290.99</b>	<b>5,831.15</b>	<b>-</b>
<b>2. Current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings	h	3,234.78	(381.48)	2,853.30	(370.20)	3,845.62	-
(ii) Trade payables	h	3,126.92	(261.54)	2,865.38	(704.48)	2,061.22	-
(ii) Other financial liabilities	b, h	3,868.29	107.01	3,975.30	148.65	3,096.48	-
(b) Provisions		22.02	30.78	52.80	16.82	34.33	-
(c) Current tax liabilities (Net)		138.89	-	138.89	-	56.89	-
(d) Other current liabilities	e, h	1,305.63	453.76	1,759.39	1,304.81	1,396.45	-
<b>Total current liabilities</b>		<b>11,696.53</b>	<b>(51.47)</b>	<b>11,645.06</b>	<b>(816.88)</b>	<b>10,490.99</b>	<b>-</b>
<b>Total equity and liabilities</b>		<b>31,601.57</b>	<b>(2,288.37)</b>	<b>29,313.20</b>	<b>(2,604.62)</b>	<b>31,017.04</b>	<b>-</b>

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### b) Reconciliation of total equity as at 31 March, 2016 and 1 April, 2015

(Rs. in million)

Particulars	Notes	As at 01.04.2015	As at 31.03.2016
Total equity (shareholders' funds) as reported under previous GAAP		17,094.09	14,536.95
Effect of activation revenue being deferred and amortised over customer relationship period	e	(2,741.75)	(4,325.94)
Effect of measuring financial instruments at fair value / amortised cost	b, c	101.89	4.44
Change in classification of subsidiaries/joint venture/associates	h	-	124.85
Non controlling interest presented as part of total equity under Ind AS	a	789.08	705.72
Reversal of non controlling interests absorbed by the Parent in previous GAAP	a	-	46.64
Impact of expected credit loss	d	(787.77)	(1,081.03)
Deferred tax adjustment on above items	i	239.36	391.17
<b>Total adjustments to equity</b>		<b>(2,399.19)</b>	<b>(4,134.15)</b>
<b>Equity as reported under Ind AS</b>		<b>14,694.90</b>	<b>10,402.80</b>

### c) Effect of Ind AS adoption on the Consolidated Statement of Profit and Loss for the year ended 31 March, 2016

(Rs. in million)

Particulars	Notes	Year ended 31 March, 2016 (Latest period presented under previous GAAP)		
		Previous GAAP*	Effect of Transition to Ind AS	Ind AS
<b>1. Income</b>				
(a) Revenue from operations	e, h	12,585.83	(3,110.82)	9,475.01
(b) Other income	b, c, h	666.49	(82.82)	583.67
<b>2. Total income</b>		<b>13,252.32</b>	<b>(3,193.64)</b>	<b>10,058.68</b>
<b>3. Expenses</b>				
(a) Content cost	h	5,101.58	(369.40)	4,732.18
(b) Placement fees	h	355.01	180.03	535.04
(c) Employee benefits expense	f, g, h	1,377.68	(147.58)	1,230.10
(d) Finance costs	a, b, h	848.87	(58.00)	790.87
(e) Depreciation and amortisation expense	h	2,306.45	(245.44)	2,061.01
(f) Other expenses	d, h	4,487.78	(388.71)	4,099.07
<b>4. Total expenses</b>		<b>14,477.37</b>	<b>(1,029.10)</b>	<b>13,448.27</b>
<b>5. Profit/(Loss) before exceptional items and tax expense (2-4)</b>		(1,225.05)	(2,164.54)	(3,389.59)
<b>6. Exceptional items</b>		649.60	-	649.60
<b>7. Share of profit / (loss) of associates</b>	h	-	34.07	34.07
<b>8. Share of profit / (loss) of joint ventures</b>	h	-	(89.69)	(89.69)
<b>9. Profit/(Loss) before tax (5-6+7+8)</b>		<b>(1,874.65)</b>	<b>(2,220.16)</b>	<b>(4,094.81)</b>
<b>10. Tax expense</b>				
(a) Current tax	h	407.24	(84.91)	322.33
(b) Deferred tax	h, i	18.69	(122.83)	(104.14)
<b>11. Total tax expense</b>		<b>425.93</b>	<b>(207.74)</b>	<b>218.19</b>
<b>12. Profit/(Loss) after tax (9-11)</b>		<b>(2,300.58)</b>	<b>(2,012.42)</b>	<b>(4,313.00)</b>
<b>13. Share of minority interest (previous GAAP)</b>	a	308.63	(308.63)	-
<b>14. Profit/(Loss) for the year attributable to the shareholders of the Company (12-13)</b>		<b>(2,609.21)</b>	<b>(1,703.79)</b>	<b>(4,313.00)</b>



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Particulars	Notes	Year ended 31 March, 2016 (Latest period presented under previous GAAP)		
		Previous GAAP*	Effect of Transition to Ind AS	Ind AS
<b>15. Other comprehensive income</b>	j			
(i) Items that will not be reclassified to profit or loss:				
(a) Remeasurement of defined benefit obligations	g	-	3.61	3.61
(b) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss	h	-	(0.06)	(0.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss	g	-	(0.44)	(0.44)
<b>16. Total other comprehensive income</b>		-	<b>3.11</b>	<b>3.11</b>
<b>17. Total comprehensive income/(loss) for the year (14+16)</b>		<b>(2,609.21)</b>	<b>(1,700.68)</b>	<b>(4,309.89)</b>

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

### d) Reconciliation of total comprehensive income for the year ended 31 March, 2016

(Rs. in million)

Particulars	Notes	Year ended 31.03.2016 (Latest period presented under previous GAAP)
Profit/(Loss) after tax as reported under previous GAAP		(2,609.21)
<b>Adjustments:</b>		
Effect of activation revenue being deferred and amortised over customer relationship period	e	(1,584.19)
Effect of employee stock option plan charged at fair value	f	(52.55)
Effect of measuring financial instruments at fair value / amortised cost	b, c	(97.46)
Change in classification of subsidiaries/joint venture/associates	h	124.85
Effect of actuarial (gain) / loss on defined benefits plans	g	3.11
Impact of expected credit loss	d	(293.26)
Reversal of non controlling interests absorbed by the Parent in previous GAAP	b	46.64
Effect of deferred tax adjustment on above items	i	151.81
<b>Total effect of transition to Ind AS</b>		<b>(4,310.26)</b>
Other comprehensive income for the year (net of tax)	g, i	(3.11)
<b>Total comprehensive income / (loss) under Ind AS</b>		<b>(4,313.37)</b>

### e) Effect of Ind AS adoption on the Statement of cash flows for the year ended 31 March, 2016

(Rs. in million)

Particulars	Notes	As at 31.03.2016		
		Previous GAAP*	Effect of transition to Ind AS	As per Ind AS balance sheet
Net Cash flows from operating activities	b, h	347.07	(272.08)	74.99
Net Cash flows from investing activities	b, h	1,821.08	43.84	1,864.92
Net Cash flows from financing activities	h	(1,924.83)	315.04	(1,609.79)
Net Increase(decrease) in cash and cash equivalents	h	243.32	86.80	330.12
Cash and Cash equivalents at the beginning of the year	h	1,503.92	(228.96)	1,274.96
Cash and Cash equivalents at the end of the year	h	1,747.24	(142.16)	1,605.08

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### Notes to reconciliation items :

#### (a) Non-controlling interest:

Under previous GAAP, where the share of losses of non-controlling interest exceeded their interest in equity of the subsidiary, the excess and any further losses applicable to non-controlling interests were adjusted against the Parent's interests. Under Ind AS, the Group is required to account for such excess and further losses as attributable to non-controlling interests even if the balance of non-controlling interests results in a deficit balance.

#### (b) Borrowings and security deposits at amortised cost method

Under previous GAAP, Borrowings (liabilities) and security deposits (assets) were accounted for at their undiscounted nominal values. Under Ind AS, these have been accounted for at amortised cost method by discounting the cash flows using effective interest rates. Accordingly, loan processing fees has been netted with borrowings to reflect the amortised cost using effective interest rate. Consequently, the changes in balances of security deposits and the effect of interest income under amortised cost method has resulted in changes in cashflows from operating and investing activities in the cash flow statement.

#### (c) Current investments in mutual funds :

Under Ind AS, the Group accounts for such investments as FVTPL investments. As required by Ind AS, these FVTPL investments have been measured at fair value with gains and losses recognised in profit or loss. At the date of transition to Ind AS, difference between the instruments fair value and previous GAAP carrying amount has been adjusted in opening reserves.

#### (d) Trade receivables :

Under previous GAAP, the entity determined provisions for impairment of trade receivables (provision for bad and doubtful debts) using incurred loss model. i.e. if they remained outstanding over the prescribed period. Under Ind AS, impairment allowance has been determined based on expected credit loss model (ECL), which has resulted in additional provisions being accounted for profit and loss. The impact of additional provisions due to ECL as at the opening Consolidated Balance Sheet date has been adjusted in opening retained earnings.

#### (e) Deferment of activation revenue

Under previous GAAP, the activation revenue on Set top boxes (STBs) was recognised fully in the year of activation. Under Ind AS, activation revenue on STBs is recognised

over the period of customer relationship. Activation fees received in advance is accounted for as 'Deferred Revenue' and grouped under "Other current liabilities" and "Other non-current liabilities". Deferred revenue calculated as at the opening Consolidated Balance Sheet date has been adjusted against opening reserves.

#### (f) Fair valuation of ESOP

Under previous GAAP, the cost of equity settled employee share-based payments was recognised using the intrinsic value method. Under Ind AS, the cost of equity-settled employee share-based payments are recognised based on grant date fair value of options. Accordingly, the incremental difference between fair value and intrinsic value of options has been accounted for as employee benefit expenses. The opening impact of this difference has been adjusted in the opening reserves.

#### (g) Gain/loss on re-measurement of net defined benefit liability:

Under previous GAAP, there was no concept of other comprehensive income and actuarial gains and losses were accounted for in profit or loss. Under Ind AS, actuarial gain or losses are accounted for as other comprehensive income.

#### (h) Subsidiaries

Under previous GAAP, the Group had accounted for 3 entities as subsidiaries and were consolidated line by line in the Consolidated Ind AS Financial Statements. However, as per the control definition in Ind AS, these entities have been assessed as associates and have been accounted for using equity method. Accordingly, the line by line adjustments represent the impact of not consolidating these entities under Ind AS. Consequently, cash flows from operating, investing and financing activities in the Consolidated Cash Flow Statement has changed to the extent of non consolidation of these entities.

#### (i) Deferred tax:

The various transitional adjustments lead to temporary differences and the Group has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

#### (j) Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income expense, gains, or losses are required to be presented in other comprehensive income.

58. The Consolidated Ind AS Financial Statements were approved for issue by the Board of Directors on 22 May, 2017.

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

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

**Ajaya Chand**  
Director  
DIN: 02334456

**Manish Dawar**  
Group Chief Financial Officer

**Jatin Mahajan**  
Company Secretary

New Delhi  
22 May, 2017

## NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the members of DEN Networks Limited will be held on Wednesday, 27<sup>th</sup> day of September, 2017 at 11.30 A.M. at Sri Sathya Sai Auditorium, Lodhi Road, Bhishm Pitamah Marg, New Delhi - 110003 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, 2017.**

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, 2017, 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, 2017.**

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, 2017, 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 Director of the Company liable to retire by rotation.”

4. **Ratification of 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), the Company hereby ratifies the appointment of M/s. Deloitte Haskins & sells, Chartered Accountants, (Firm Registration No. 015125N), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 11<sup>th</sup> AGM of the Company to be held in the year 2018 to examine and audit the accounts of the Company at such remuneration as shall be fixed by the Board of Directors on recommendation of the Audit Committee.”

### SPECIAL BUSINESS

5. **To regularize the appointment of Additional Director, Mr. Krishna Kumar Gangadharan**

To consider and if thought fit, to pass the following resolution with or without modification as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to Section 161 of the Companies act, 2013 and all other applicable provisions of the Companies Act, 2013 read with the applicable Rules, including any statutory modification(s) or re-enactment thereof, Mr. Krishna Kumar Gangadharan (DIN: 00090715), who was appointed as an Additional Director (Non-Executive Nominee Director) on August 01, 2017, be and is hereby appointed as a Non-Executive Nominee Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. **To approve the remuneration payable to M/s. Ajay Kumar Singh & Co., Cost Accountants as cost auditors of the Company, for the financial year 2017-2018**

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 recommendation of the Audit Committee, the Cost Auditor, M/s. Ajay Kumar Singh & Co., member of the Institute of Cost Accountants of India (FRN-000386), appointed as Cost Auditors of the company by the Board of Directors of the Company, to audit the cost records of the Company for the financial year 2017-2018, 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.”

7. **To consider and determine the fees for delivery of any document through a particular mode of delivery to the member(s) of the Company**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the members of the company be and is hereby accorded to charge from the member, the requisite charges in advance pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite charges has been duly received by the company at least ten days in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder, the charges payable for such delivery, as prescribed below for each mode of dispatch.

S. No.	Mode of Dispatch	Minimum rate per document at the minimum slab of the weight of the document in each category (in Rs.)	
		Within India	International
1.	Ordinary post	15	1.2 times of the actual charges in each case
2.	Registered post	100	
3.	Speed post	100	
4.	Courier	100	
5.	Electronic mail (email)	20	20

Note- printing charges of providing the documents shall be charged as per provisions of the Companies Act, 2013

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

**By order of the Board  
For DEN Networks Limited**

Sd/-

**Jatin Mahajan  
Company Secretary**

**Place: New Delhi  
Dated: August 01, 2017**

**Notes:-**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

1. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of Annual General Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. During the period beginning 24 hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. Members/ Proxies are requested to bring a copy of this notice as no copies will be made available at the meeting. Under no circumstances, photocopies of the admission slip will be allowed for admission to the meeting place. The notice of the 10<sup>th</sup> Annual General Meeting and the DEN's Annual Report for FY 2016-2017 will be available on the Company's website i.e., [www.dennetworks.com](http://www.dennetworks.com), those members who do not receive copies of annual report can collect their copies from the Registered Office of the Company.
5. Members/Proxies should bring the attendance slips duly filled in for attending the meeting.
6. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
8. The Registers of Contract and Arrangements in which directors are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
9. Members can avail the nomination facility with respect to shares held, by submitting a request in writing to the company or to M/s. Karvy Computershare Private Limited, the Registrar

and Share transfer Agent of the company.

10. In terms of section 152 of the Companies Act 2013, Mr. Sameer Manchanda (DIN: 00015459), Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Brief resumes/information of Mr. Sameer Manchanda, nature of expertise and names of other listed companies in which he holds directorship and chairmanship / membership of committees of Board is annexed herewith. On re-appointment, Mr. Sameer Manchanda (DIN: 00015459) will continue to act as Managing Director of the company. The Board of directors recommends his re-appointment.
11. In terms of section 161 of the Companies Act 2013, Mr. Krishna Kumar Gangadharan (DIN: 00090715), was appointed as a Non- Executive Nominee Director of IL& FS Investment Managers Limited ("IL& FS") on August 01, 2017. The Company received a letter from shareholder alongwith prescribed fee, to regularise the appointment of Mr. Krishna Kumar Gangadharan as Director as per provisions of Section 152 of the Companies Act, 2013 and its rules. Brief resumes/information of Mr. Krishna Kumar Gangadharan, nature of expertise and names of other listed companies in which he holds directorship and chairmanship / membership of committees of Board is annexed herewith. On appointment, Mr. Krishna Kumar Gangadharan will continue to act as Non-Executive Nominee Director of the Company. The Board of directors recommends his appointment to the members.
12. The registers of members will be closed from September 22, 2017 to September 26, 2017, 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, 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 Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by KARVY, on all resolutions set forth in this Notice.
15. Notice of the 10th 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 Participant(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 10th 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 relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 5 to 7 of the Notice, is annexed hereto.
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.

#### **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 24, 2017 and will end at 05.00 P.M. on September 26, 2016.
- f) The cut-off date (i.e. the record date) for the purpose of e-voting is September 20, 2017.
- 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.

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
Password	Your Unique password is Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact toll free No. **1800-3454-001** for any further clarifications.
- iv) Members can cast their vote online from September 24, 2017 at 9.00 A.M. up to September 26, 2017 at 5.00 P.M.
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password

and update any contact details like mobile no., email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., '**DEN NETWORKS LIMITED**'.
- ix) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (Corporate/FIs/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 20, 2017.
- 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>).

**Brief information about Mr. Sameer Manchanda, a Director being re-appointed (liable to retire by rotation) pursuant to Section 152 of the Companies Act, 2013**

Name of Director	Mr. Sameer Manchanda
Date of Birth	17/06/1961
Nationality	Indian
Date of Appointment on the Board	15/09/2007
Qualifications	Chartered Accountant
Expertise in Specific Functional Area	Mr. Sameer Manchanda is a qualified Chartered Accountant, he has over two decades' experience in the Indian media & television industry. He has been associated with the Indian television industry since 1984 and has seen major stages of evolution in this sector. He has considerable and varied experience and expertise in distribution; media sector operations, strategic and financial planning, capital structuring, mergers and acquisitions, collaborations and joint ventures.  He has been Member of the Finance Committee of the Indo-American Chambers of Commerce. He is also a member of the News Broadcaster Association. Mr. Manchanda has been a Fellow of the Institute of Chartered Accountants of India.
Number of shares held in the Company	4,66,54,550
Disclosure of relationships between directors inter-se	N/A
Names of listed entities* in which he holds the directorship and the membership of the Committees of the Board (i.e., Audit Committee/ Nomination and Remuneration committee)	N/A

\*Excluding Den Networks Limited

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO. 5**

The Board at its meeting held on August 01, 2017, appointed Mr. Krishnakumar Gangadharan (DIN: 00090715) as additional director with effect from such Board meeting date, pursuant to Section 161 of the Companies Act, 2013. Hence, he will hold office up to the date of the ensuing annual General Meeting.

The Company has received consent in writing to act as directors in Form DIR 2 and intimation in Form DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services as Directors. Accordingly, the Board recommends the resolution No. 5, in relation to appointment of Mr. Krishnakumar Gangadharan (DIN: 00090715) as Director, for the approval by the shareholders of the Company. Brief information about Mr. Krishnakumar Gangadharan is appended below:

Name of Director	Mr. Krishna Kumar P.T. Gangadharan
Date of Birth	28/09/1971
Nationality	Indian
Date of Appointment on the Board	01.08.2017
Qualifications	B. Com.
Expertise in Specific Functional Area	Mr. Krishna Kumar P.T. Gangadharan holds a Bachelor's degree in Commerce from University of Mumbai (India), majoring in financial accounting. Mr. Kumar has managed private equity funds that have invested in assets of infrastructure sectors, including power, telecom and maritime. From 1992 to 1995, Mr. Kumar was associated with Kotak Mahindra Group as a senior officer and with Synergy Credit Corporation Limited as an officer in the finance department. Prior to joining IL&FS Investment Managers Limited in 2002, Mr. Kumar was with IL&FS as a manager in asset management. Mr. Kumar has over 21+ years of financial service and infrastructure experience.
Number of shares held in the Company	7,720

Disclosure of relationships between directors <i>inter-se</i>	N/A
Names of listed entities* in which he holds the directorship and the membership of the Committees of the Board (i.e., Audit Committee/ Nomination and Remuneration committee)	Ramky Infrastructure Limited (Director) Audit Committee - Member Nomination and Remuneration committee - Member

\*Excluding Den Networks Limited

#### ITEM NO. 6

The Board of the Directors of the Company as per the recommendation of the Audit Committee, has approved the appointment of M/s. Ajay Kumar Singh & Co., Cost Accountant, as Cost Auditor, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018 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, 2018.

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.

#### ITEM NO. 7

Pursuant to the provisions of Sections 20 of the Companies Act, 2013 and other applicable sections of the said act, if any, and rules

made thereunder, a document may be served on any member by sending him by post or by registered post or by speed post or by courier or by delivering to their office or address, or by such electronic or other mode as may be prescribed.

Further, a member may request for delivery of any document through a particular mode, for which, shall pay such fees in advance as may be determined by the company in its annual general meeting. Accordingly, the Board of Directors recommends the resolution for your approval by an Ordinary resolution.

None of the persons namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolution financially or otherwise.

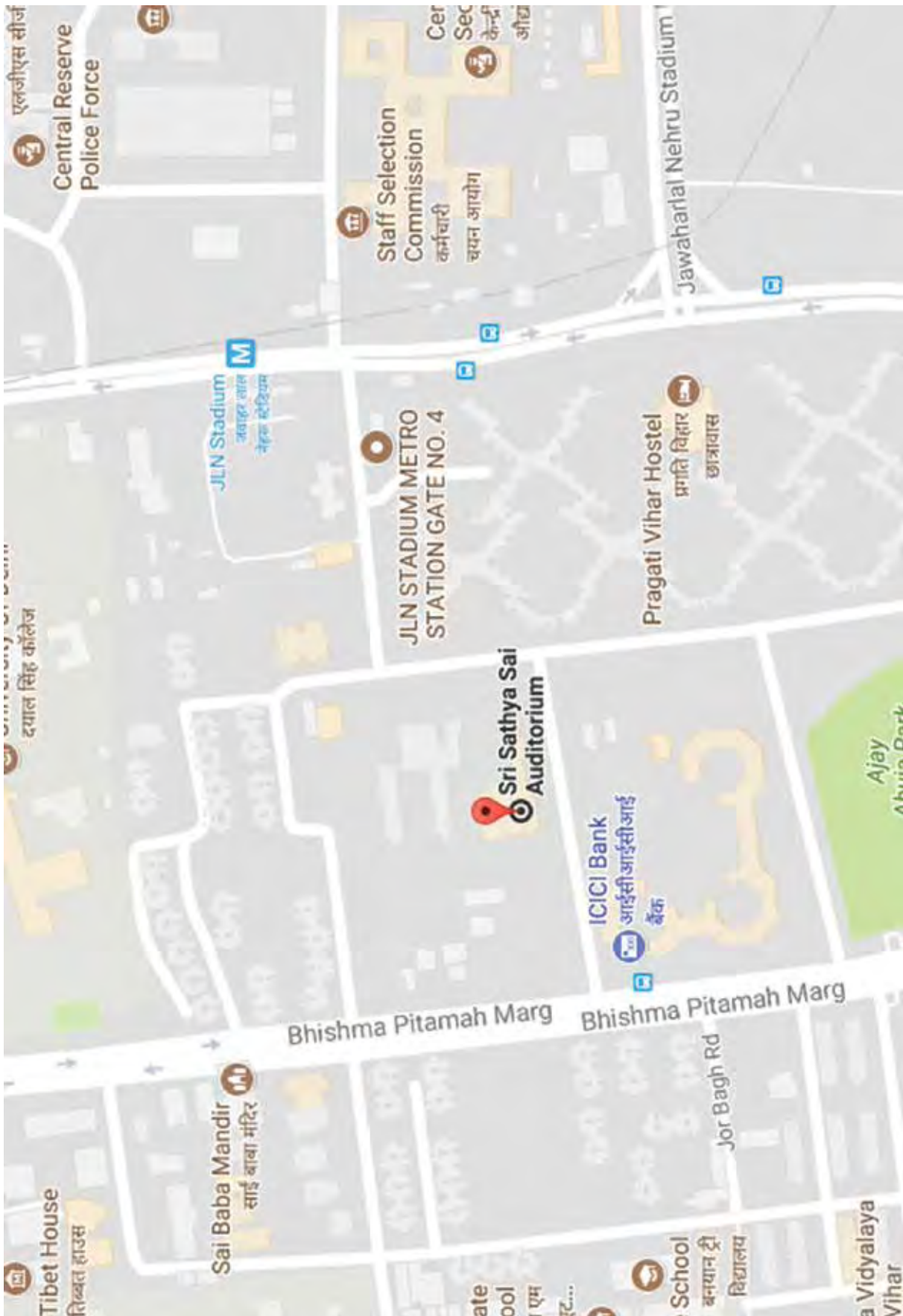
**By order of the Board  
For DEN Networks Limited**

Sd/-  
**Jatin Mahajan**  
Company secretary

**Place: New Delhi**  
**Dated: August 01, 2017**



ROUTE MAP TO THE VENUE OF THE AGM





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 10th Annual General Meeting of the Company at Sri Sathya Sai Auditorium, Lodhi Road, Bhishm Pitamah Marg, New Delhi - 110003 on Wednesday, September 27, 2017, 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
Ordinary Business				
1	To receive, consider and adopt audited standalone financial statements of the Company for the financial year ended March 31, 2017.			
2	To receive, consider and adopt audited consolidated financial statements of the Company for the financial year ended March 31, 2017			
3	Re-appointment of Mr. Sameer Manchanda as a Director liable to retire by rotation			
4	Ratification of Appointment of M/s. Deloitte Haskins & sells, Chartered Accountants as the Statutory Auditors of the Company			
Special Business				
5	To regularize the appointment of Additional Director, Mr. Krishna Kumar Gangadharan			
6	To approve remuneration payable to Mr. Ajay Kumar Singh & Co., Cost Accountants as Cost Auditors of the Company for the Financial year 2017-18			
7	To consider and determine the fees for delivery of any document through a particular mode of delivery to the member(s) of the Company			

Signed this ..... day of ..... 2017.

.....

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)