

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.

Report on the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of **MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in Basis of Qualified Opinion section of our report*, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2023, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. The Company's 'Revenue from Operations' includes broadcasters' share in subscription income from pay channels, which has correspondingly been presented as an expense which is not in accordance with the requirements of Ind AS 115, 'Revenue from contracts with customers'. Had the management disclosed the same on net basis, the 'Revenue from Operations' and the 'Pay channel, carriage sharing and related cost' each would have been lower by Rs.422.31 millions for the year ended 31 March 2023, while there would have been no impact on the net loss for the year ended 31 March 2023.

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

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. As required by 'the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order.

15. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and {except for the effects of the matters described in the Basis for Qualified Opinion section} obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) {except for the effects of the matter described in the Basis for Qualified Opinion section}, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) {except for the effects of the matters described in the Basis for Qualified Opinion section} In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

(e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 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 B**.

(g) As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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

- i. The Company has disclosed the impact, if any, of pending litigations as at 31st March 2023 on its financial position in its standalone financial statements – Refer Note no. 1.3. c – of the notes to the financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and
(c) Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub clause (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year.

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


Lokesh Gupta
(Partner)
Membership No.: 503853

Place : New Delhi
Date :19.05.2023

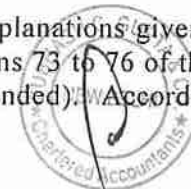
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Annexure A to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of MASTER CHANNEL COMMUNITY NETWORK PVT. LTD. on the standalone financial statements for the year ended 31st March 2023.

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

- (i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except for Set Top Boxes capitalized/installed at customer premises.*
- B) The Company has no intangible assets hence the clause is not applicable.
- (b) According to the information and explanations given to us the fixed assets (*other than Set top boxes installed at customer premises and those in transit or lying with the distributors/cable operators and distribution equipment comprising overhead and underground cables physical verification of which is infeasible owing to the nature and location of these assets*) have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- (c) Since the company does not own any immovable properties the provisions of the said clause of the Order are not applicable.
- (d) The company has not revalued any of its property, plant and equipment and intangible assets during the year ended March 31, 2023.
- (e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and the rules made there under.
- (ii) (a) The company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (b) The company has not been sanctioned any working capital limit from banks or financial institutions on the basis of security of current assets at any point of time during the year hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations provided to us the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.
- (iv) Since the company has not made investments, nor provided any guarantee or security or granted any loans or advances, accordingly the provisions of clause 3(iv) of the Order are not applicable.
- (v) To the best of our knowledge & according to the information and explanations given to us the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.



(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of the Section 148 of the Act in respect of company's services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

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

Name of Statute	Nature of Dues	Amount Involved Rs.	Forum/ period where the dispute is pending
AP-VAT	VAT	91,60,054	Tribunal, VAT Department, Vizag, Ap
AP-VAT	VAT	22,90,014	Tribunal, VAT Department, Vizag, Ap
AP-VAT	VAT	4,37,77,561	High Court
AP-VAT	VAT	1,09,44,390	High Court

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Hence clause 3(viii) of the Order is not applicable to the company.

(ix) (a) The Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.

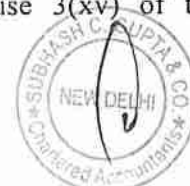
(b) According to the information and explanations provided to us, the company has not been is a declared willful defaulter by any bank or financial institution or government or government authority.

(c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year hence the reporting under clause 3(ix) c) is not applicable to the company.

(d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.




- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies. Accordingly, reporting under clause 3(ix)(e) of the order does not arise.
- (f) The company does not hold any investment in any subsidiary, associates or joint venture (as defined under the Companies Act 2013) during the year ended March 31, 2023. Hence clause 3(ix) (f) of the Order is not applicable.
- (x) (a) The company has not raised any funds during the year from initial public offer or further public offer. Accordingly, reporting under clause 3(x)(a) of the order does not arise.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence the clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statement and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management there have been no whistle blower complaints received by the Company during the year.
- (xii) Since the company is not a Nidhi company the provisions of clause 3(xii) of the order are not applicable.
- (xiii) As per the information and explanation provided to us, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system commensurate with the size and nature of its business and is not required to have an internal audit system as per the provisions of section 138 of the Companies Act, 2013.
- (b) Since the company is not required to have the internal audit system hence the clause 3(xiv)(b) is not applicable to the company.
- (xv) According to the information and explanation provided to us the company has not entered into any non-cash transactions with directors or persons connected with him during the year accordingly the provisions of clause 3(xv) of the order are not applicable.



- (xvi) (a) In our opinion and according to the information and explanation provided to us the company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.Hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no Core Investment Company within the group as defined in the core investment Companies(Reserve Bank) Directions,2016 and accordingly, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in notes to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) Since the provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence clause 3(xx) of the Order is not applicable.

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


Lokesh Gupta
(Partner)
Membership No.: 503853

Place : New Delhi
Date :19.05.2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 (f) of the Independent Auditors' Report of even date to the members of MASTER CHANNEL COMMUNITY NETWORK PVT. LTD. on the standalone financial statements for the year ended 31st March 2023.

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

1. We have audited the internal financial controls over financial reporting of MASTER CHANNEL COMMUNITY NETWORK PVT. LTD. ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2023:
The Company's internal financial controls over preparation of financial statements with respect to presentation and disclosure of 'Revenue from operations' in accordance with the requirement of IndAS 115 'Revenue from contracts with customers', were not operating effectively which has resulted in a material misstatement in the amounts recognized as 'Revenue from operations' and 'Pay channel, carriage sharing and related costs' including the relevant disclosures in the standalone financial statements, while there is no impact on the net loss for the year ended 31 March 2023.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2023, 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 issued by the ICAI

and *except for the effects of the material weakness described above* on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2023.

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2023, and the material weakness as mentioned in Para 8 above, has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

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



Lokesh Gupta
(Partner)
Membership No.: 503853

Place : New Delhi
Date :19.05.2023

MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.
Balance sheet as at March 31, 2023

	Notes	Rs. in Millions	
		March 31, 2023 Rs.	March 31, 2022 Rs.
A. Assets			
1. Non-current assets			
Fixed assets			
(a) Property, plant and equipment	2	190.77	251.62
(b) Capital work-in-progress		17.30	28.74
(c) Deferred Tax Assets	12	33.43	27.96
(d) Financial assets			
(i) Loans & Advances	3	2.38	2.73
Sub-total of Non-current assets		243.89	311.04
2. Current assets			
(a) Financial assets			
(i) Trade receivables	4	90.14	80.14
(ii) Cash and bank balances	5	34.21	57.46
(iii) Bank Balance other than (ii) above	5	74.70	70.00
(iv) Others Financial Assets	6	20.04	21.03
(b) Other current assets	7	60.77	55.49
Sub-total of Current assets		279.85	284.13
Total assets		523.74	595.17
B. Equity and liabilities			
Equity			
(a) Equity share capital	8	0.50	0.50
(b) Other equity	9	64.95	84.62
Sub-total - Equity		65.45	85.12
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings	10	8.58	8.58
(b) Provisions	11	7.90	7.63
(c) Other non-current liabilities	13	-	-
Sub-total - Non-current liabilities		16.47	16.20
2. Current liabilities			
(a) Financial liabilities			
(i) Trade payables	14		
a) Total outstanding dues of micro enterprises and small enterprises, and			
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	14	353.14	394.54
(b) Other current liabilities	15	82.56	90.71
(c) Provisions	16	6.12	8.59
Sub-total of current liabilities		441.82	493.84
Total equity and liabilities		523.74	595.17
Summary of significant accounting policies	1	0.00	0.00

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

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

For Subhash C. Gupta & Co.
Chartered Accountants

Firm Regn No.-0631103N

Lokesh Gupta
Partner
M. No-503853

Place : New Delhi
Date : 19/05/2023

For and on behalf of the Board of Directors of
Master Channel Community Network Pvt. Ltd.

P Sai Babu
Director
DIN : 00833403

Vijay Kalur
Director
DIN : 08100962



MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.
Statement of profit and loss for the year ended March 31, 2023

	Notes	Rs. in Millions	
		March 31, 2023 Rs.	March 31, 2022 Rs.
Revenue			
Revenue from operations	17	637.84	716.18
Other income	18	6.39	4.16
Total revenue		644.23	720.34
Expenses			
Purchases of traded goods	19	-	11.24
Carriage sharing, pay channel and related costs	20	422.31	462.52
Employee benefits expense	21	32.41	32.98
Finance costs	22	1.92	2.90
Depreciation and amortisation expenses	23	92.55	91.37
Other expenses	24	116.27	111.16
Total expenses		665.47	712.18
Profit before Exceptional items expenses		(21.23)	8.15
Exceptional items		-	28.23
Profit before tax		(21.23)	(20.08)
Tax Expenses			
Current Tax		5.00	6.00
Previous Year Tax			
Deferred Tax		(5.47)	(11.16)
Total Profit/(Loss) for the period		(20.76)	(14.92)
Other Comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit (liabilities) / assets		(1.09)	(2.00)
Total Comprehensive Income/(loss) for the year		(19.67)	(12.93)
Earning per share after tax	24A		
Basic		(4,151.67)	(2,984.53)
Diluted		(4,151.67)	(2,984.53)
Summary of significant accounting policies	1		

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

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

For Subhash C. Gupta & Co.


Chartered Accountants

Firm Regn No.-004103N


Lokesh Gupta
 Partner
 M. No-503853

For and on behalf of the Board of Directors of
 Master Channel Community Network Pvt. Ltd.


P Sai Babu
 Director
 DIN : 00833403


Vijay Kalur
 Director
 DIN : 08100962

Place : New Delhi

Date : 19/05/2023



MASTER CHANNEL COMMUNITY NETWORK PVT LIMITED

Rs. in Millions

CASH FLOW STATEMENT

PARTICULARS	Year ended March 31, 2023	Year ended March 31, 2022
	Amount in Rs.	Amount in Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Income / (Loss) before Tax	(20.76)	(20.08)
Adjustments for :		
Depreciation	92.55	91.37
Provision for diubtful debts written off	-	-
Loss(profit) on sale /disposal of assets	-	-
Provision for Doubtful Debts	-	-
Interest Expense/(Income)	1.92	2.90
Less: Profit on sale of assets	-	-
Income Tax paid	(5.47)	-
comprehensive income recognised directly in retained earnings	1.09	2.00
Provision for Income Taxes(including deferred tax)	-	5.16
Operating Profit before working capital changes	69.33	81.35
Increase Inventories	-	-
Decrease (increase) in Trade Receivables	(9.99)	41.17
Decrease(increase) in Long Terms L&A and non Current Assets	0.35	(11.16)
Decrease(increase) in Loans and Advances and Other Current Assets	(4.29)	13.71
Increase in Long term provisions	0.27	(0.72)
Increase/(Decrease) in Current Liabilities and Provisions	(52.02)	(96.56)
Net Cash Flow from Operating Activities	3.64	27.79
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(31.71)	(30.70)
Capital W.I.P.	11.44	(19.24)
Sale of Fixed Assets	-	-
Net Cash utilised in Investing Activities	(20.27)	(49.94)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Received/(paid) (Net)	(1.92)	(2.90)
Proceeds from Share Capital	-	-
Repayment of long term borrowing	-	-
Net Cash provided by Financing Activities	(1.92)	(2.90)
Net Increase in cash and cash equivalents during the year	(18.55)	(25.05)
cash and cash equivalents at beginning of year	127.46	152.51
Cash and Cash Equivalents at end of the Year	108.91	127.46

Note :

- 1 Previous year figures have been regrouped / rearranged wherever necessary
- 2 Component of Cash & cash Equivalents at the end of year

Cash in hand	3.46	3.61
Cheques in Hand		
FDR's	74.70	70.00
Balances with Scheduled Banks in Current Accounts	30.75	53.86
	108.91	127.46

For Subhash C. Gupta & Co.

Chartered Accountants

Firm Regn No.-004103N


Lokesh Gupta
 Partner
 M. No-503853



For and on behalf of the Board of Directors of
 Master Channel Community Network Pvt. Ltd.


P Sai Babu
 Director
 DIN : 00833403


Vijay Kalur
 Director
 DIN : 08100962

Place : New Delhi

Date : 19/05/2023

MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.

Statement of Changes in Equity for the Year ended 31st March, 2023

Rs. in Millions

(a) Equity share capital

As at March 31, 2023		As at March 31, 2022	
No. of Shares	Amount	No. of Shares	Amount
5,000	0.50	5,000	0.50
-	-	-	-
5,000	0.50	5,000	0.50

Balance at the beginning of the reporting period Balance
Changes in equity share capital during the year
Balance at the end of the reporting period

(b) Other equity

Particulars	Attributable to the equity Shareholders				Non-Controlling Interests	Total Equity
	Reserves & Surplus	Other items of other comprehensive income	Equity portion of OCD conversion	Total		
Balance at March 31, 2021	97.55	-	-	97.55	-	97.55
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period 01.04.2016	97.55	-	-	97.55	-	97.55
Profit/(Loss) for the year	(14.92)	-	-	(14.92)	-	(14.92)
Transfer from Deferred Activation Revenue	-	-	-	-	-	-
Other comprehensive income for the year	-	2.00	-	2.00	-	2.00
Total comprehensive income for the year	84.62	2.00	-	84.62	-	84.62
Add : Equity portion of OCD conversion	-	-	-	-	-	-
Balance at March 31, 2022	84.62	-	-	84.62	-	84.62
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period 01.04.2016	84.62	-	-	84.62	-	84.62
Profit/(Loss) for the year	(20.76)	-	-	(20.76)	-	(20.76)
Transfer from Deferred Activation Revenue	-	-	-	-	-	-
Other comprehensive income for the year	-	1.09	-	1.09	-	1.09
Total comprehensive income for the year	63.86	1.09	-	64.95	-	64.95
Add : Equity portion of OCD conversion	-	-	-	-	-	-
Balance at March 31, 2023	64.95	-	-	64.95	-	64.95



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MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.

Note: 1 Company Overview and Significant Accounting Policies

1.1 Company Overview

- a. Master Channel Community Network Pvt. Ltd. (hereinafter referred to as the 'Company' or 'MCCN') was incorporated in the state of Andhra Pradesh, India. The Company is engaged in distribution of television channels through analogue and digital cable distribution network and allied services.

b. Basis of preparation

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

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2023, together with the comparative period as at and for the year ended 31 March 2022. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Summary of Accounting Policies

a. Use of estimate

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

b. Foreign Currency Translation

Functional and presentation currency

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

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

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

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

c. Revenue recognition

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

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

Revenue from rendering of Services

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

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

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



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

Application of New Accounting Pronouncement:

The Company has adopted Ind AS 115 Revenue from Contracts with Customers' with effect from April 01, 2018.

Pursuant to notification of Ind AS 115 and its adoption by the Company, the activation and set-top box pairing service doesn't qualify as a separate performance obligation and provides no material right to the customers. Such service does not extend beyond the initial contract period and has been recognised over the same.

The Company has elected to recognise cumulative effect of initially applying Ind AS 115 under modified retrospective approach as an adjustment to opening balance sheet as at April 01, 2018 on the contracts that are not completed as at that date.

d. Borrowing Costs

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

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

**e. Property, Plant and Equipment
Recognition and initial measurement**

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

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

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

f. Subsequent measurement (depreciation and useful lives)

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

Type of assets	Useful Life (Years)
Computer	3.00
Office Equipments	5.00
Electrical Equipments	5.00
Studio Equipments	13.00
Furniture & Fixtures	10.00
Set Top Boxes	8.00
Vehicles	8 to 10

ii.) Leasehold Improvements is amortised over the effective period of lease.

iii.) The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

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



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g. Intangible Assets

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

Subsequent measurement (Amortisation)

Cost of Intangible Assets are amortised under straight line method over the period of life.

h. Impairment of non-financial Assets

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

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

i. Investments and Other Financial Assets

Financial assets

Initial recognition and measurement

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

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

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

De-recognition of financial liabilities

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

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

Impairment of Financial Assets

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company consider the following –

- All contractual terms of the Financial Assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade Receivables

As a practical expedient the Company has adopted 'simplified approach' for recognition of lifetime expected loss on trade receivables. The estimate is based on three years average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables at the reporting date to determine lifetime expected credit losses.

Other Financial Assets

For recognition of impairment loss on other Financial Assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.



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

Defined contribution plans

Provident Fund

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

Gratuity (Funded)

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

Other Employee Benefits

Compensated absences

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

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

k. Taxation on Income

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

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

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

l. Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

m. Earning Per Share:

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

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



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n. Leases

Lease liability associated with assets taken on lease (except short-term and low value assets) is measured at the present value of lease payments to be made. Lease payments are discounted using the interest rate implicit in the lease. Lease payments comprise fixed payments in relation to the lease (less lease incentives receivable), variable lease payments, if any and other amounts (residual value guarantees, penalties, etc.) to be payable in future in relation to the lease arrangement. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

o. Significant management judgement in applying accounting policies and estimation uncertainty

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

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

Significant Management Judgements

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

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

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

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

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

1.3 ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS

a. Earning per share:

	31.03.2023	31.03.2022
a) Profit/(Loss) after Tax	(20.76)	(14.92)
b) Weighted average No. of Ordinary Shares		
Basic	5,000	5,000
Diluted	5,000	5,000
c) Nominal Value of Ordinary Share	100	100
d) Earning per Ordinary share considering:		
Basic	(4,151.67)	(2,984.53)
Diluted	(4,151.67)	(2,984.53)

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

Particulars	2022-23	2021-22
Audit fees Rs.	0.08	0.08
Limited Review fees	0.03	0.03
Other Matter	0.10	0.10



(Amount are exclusive of GST)

c. Additional information

i Contingent Liabilities not provided for on account of:

	2022-23	2021-22
VATdepartment/Entertainment tax	66.17	68.50
ii Director Remuneration	6.00	6.00
iii Earning in Foreign Currency	-	-
iv Remittances in Foreign Currency	-	-
v Expenditure in Foreign Currency	9.35	15.55
vi CIF Value of Import	-	-

d. Commitments

Future commitments towards capital contributions - NIL

e. Segment Reporting

Segment Reporting as required by Indian Accounting Standard -108 issued by the Institute of Chartered Accountant of India is not applicable since the Company is in the business of providing Cable TV Services in one segment and there is no Geographical Segment.

f. Related Parties Disclosure:

List of Parties where control exists

i Ultimate Holding Company

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

ii Holding Company

Central Bombay Cable Network Limited. (Extent of holding: 66%)

iii Fellow Subsidiary Companies

Indinet Service Pvt. Ltd. (100% Subsidiary of ICNCL)	Siti Global Pvt. Ltd.
Siti Karnal Digital Media Network Private Limited	Indian Cable Net Company Ltd.
Siti Prime Uttaranchal Communication Pvt. Ltd.	Siti Jind Digital Network Pvt. Ltd.
Central Bombay Cable Network Limited.	Siti Broadband Services Pvt. Ltd.
Panchsheel Digital Communication Network Pvt. Ltd.	Sai Star Digital Media Pvt. Ltd.
E-Net Entertainment Private Limited	Master Channel Community N/w P. Ltd.
Siti Jai Maa Durge Communications Pvt. Ltd.	Variety Entertainment Pvt. Ltd.
Siti Vision Digital Media Private Limited	Siti Siri Digital Network Pvt. Ltd.
Siti Krishna Digital Media Private Limited	Siti Faction Digital Private Limited
Siti Jony Digital Cable Network Private Limited	Siticable Broadband South Ltd.
Siti Guntur Digital Network Private Limited	Wire & Wireless Tisai Satellite Ltd.
Siti Maurya Cable Net Pvt. Ltd. (Subsidiary of ICNCL)	Siti Networks Limited
C&S Medianet Private Limited	Voice Snap Services Private Limited
Paramount Digital Media Services Private Limited	Meghbela Infitel Cable & Boardband Pvt. Ltd.
Siti Networks India LLP	

iv Key Managerial Personnel

POTLURI KIRANMAYEE
SAI BABU POTLURI
SHILPI ASTHANA

BRIJESH GOEL
VIJAY KALUR
Johnson John Plavilayil

v Other Related Parties



Mega Satellite Services Private Limited
S. Guduru
P. Jayant
P. Meghna
Telemedia Agencies
Mega Satelite Services
City Cable Network

Lotus Broadband Private Limited
Divya Cable Network
P. Bharti
D Krishan Mohan
Futurepath
Manasa Network
R K Master

vi Entities owned and significantly influenced by the Holding company/Promoter group

Zee Entertainment Enterprises Limited (ZEEL)
Zee Media Corporation Limited (ZMCL)

Transactions with:

Holding Company- Siti Network Ltd.

	<u>2022-23</u>	<u>2021-22</u>
Operational Expenses Paid	-	1.72
Management Charges	13.16	2.58
Carriage Cost	1.30	-
Purchase of Fixed Assets	0.06	-
Reimbursement of expenses	-	0.00
Pay channel expense payable	-	-
Pay Channel expenses	-	-
Sale of STB	-	9.66

Siti Siri Digital Network Pvt Ltd

Purchase of STB	-	4.79
Sale of STB	-	1.61
Feed Charges Received	2.98	4.28
Others	0.06	-

Siti Vision Digital Media Pvt Ltd

Sale of STB	0.03	-
Others	0.07	0.01

Transaction with- ZEEL, ZMCL

Carriage fee/LCN Incentive income during the year -ZEEL	8.92	10.98
Pay channel expense during the year-ZEEL	51.65	57.61

With Key Managerial Personnel

	<u>2022-23</u>	<u>2021-22</u>
Salary	6.00	6

With other related parties

Rent	-	-
Management Charges	-	-
Commission	21.80	16.83
Advance Given	-	-
Repayment Received	-	-

Outstanding as on 31.3.2023

Unsecured Loan

Siti Network Limited	8.58	8.58
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Trade Payable

Siti Guntur Digital Network Pvt. Ltd.	-	46.70
Siti Network Limited	226.03	254.13
M/s Mega Setelite Services	0.29	0.33
Future Path	-	1.54



P. Jayant

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Telemedia Agencies	-	3.51
Siti Siri Digital Networks Pvt. Ltd.	0.86	1.33
M/s Divya Digital Network	-	3.60
Zee Entertainment Enterprises Limited	-	2.35
Mega Satellite Services Private Limited	1.36	-

Trade Receivable

E Net Entertainment Private Limited	0.08	
Zee Entertainment Enterprise P Ltd.	0.16	

Incentive/Other Payable:

Mr. Jayant P.	-	-
Siti Network Limited	-	-

Amount Payable to

Mr. P. Sai Babu	-	-
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g. Tax Expense

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

	Rs. in million	
	31-Mar-23	Mar 31,2022
Income tax related to items recognised directly in the statement of profit and loss		
Current tax - current year	5.00	6.00
Current tax - Previous year	-	-
Deferred tax charge / (benefit)	(5.47)	(11.16)
Total	(0.47)	(5.16)

A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the Company's effective income tax rate for the year ended 31 March, 2023 and 31 March, 2022 is as follows:

Profit before tax	(21.23)	(20.08)
Effective tax rate	27.82%	27.82%
Tax at statutory income tax rate	-	-
Tax effect on non-deductible expenses	-	-
Additional allowances for tax purposes	-	-
Effect of tax on group companies incurring losses	-	-
Effect of tax rate difference of subsidiaries	-	-
Other differences	(0.47)	(5.16)
Tax expense recognised in the statement of profit and loss	(0.47)	(5.16)

h. Pursuant to the Indian Accounting Standard for ' Taxes on Income' (Ind AS-12), deferred tax liability/assets at the balance sheet date is:

	2023	2022
Deferred tax asset on account of difference between book value of depreciable assets as per books of account and written down value as per Income Tax	31.28	20.05
Deferred tax assets on account of disallowance under section 43 B or allowed on payment basis.	2.15	7.91
Net Deferred Tax Assets/(Liabilities)	33.43	27.96

i. Financial risk management objectives and policies



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

a. Credit risk

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

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the

- A: Low credit risk on financial reporting date
B: High credit risk

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

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

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

Credit rating	Particulars	31-Mar-23	31-Mar-22
A: Low credit risk	Investment, Cash and cash equivalents and other financial assets except security deposits and amount recoverable	169.68	182.95
B: High credit risk	Trade receivables, security deposits and amount recoverable	112.56	103.90

as at March 31, 2023

Particular	Estimated gross carrying amount at default	Rs. in million	
		Expected credit losses	Carrying amount net of impairment provision
Trade receivables	105.14	15.00	90.14
Security deposits	2.38	-	2.38
Advances recoverable	20.04	-	20.04

as at March 31, 2022

Particular	Estimated gross carrying amount at default	Rs. in million	
		Expected credit losses	Carrying amount net of impairment provision
Trade receivables	97.85	17.70	80.14
Security deposits	2.73	-	2.73
Advances recoverable	21.03	-	21.03



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

Loss allowance on March 31, 2021	18.30
Change in loss allowance	(0.59)
Loss allowance on March 31, 2022	17.70
Change in loss allowance	(2.70)
Loss allowance on March 31, 2023	15.00

(i) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. An impairment analysis is performed at each reporting date on an individual basis for major customers. During the year, the trade receivables amounting to Rs. 17.70 millions have been written off against the opening ECL provision and an additional provision for ECL amounting to Rs. 15 millions has been created based on the management's estimates.

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

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's assessment of credit risk about particular financial institution. None of the Company's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at 31 March 2023.

b. Liquidity risk

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

2023			
Amounts in Rs			
Particulars	Less than 1 year	1-5 year	Total
Borrowings	-	8.58	8.58
Trade payables	185.75	167.39	353.14

2022			
Amounts in Rs			
Particulars	Less than 1 year	1-5 year	Total
Borrowings	-	8.58	8.58
Trade payables	100.05	294.50	394.54

c. Market risk

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

d. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Long-term borrowings do not expose the company to risk of changes in interest rates as the Company had issued the same at 0%

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



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- k. Figures for the previous year have been regrouped / rearranged / recast whenever necessary to confirm for comparison purpose.
- l. Trade receivables, Trade payables, Current liabilities, Expenses Recoverable/payable & other loans & Advances are subject to confirmation and reconciliation from the parties.
- m. Information required as per the Micro, Small and Medium Enterprises Development Act, 2006 small Scale Industries.
The Company has identified Micro, Small and Medium Enterprises on the basis of information available. As at March 31, 2023 there are no dues to Micro, Small and Medium Enterprises that are reportable under the MSMED Act, 2006.
- n. The new tariff order of Telecom Regulatory Authority of India (TRAI) was implemented from 1, 2019, as per the extended timelines. TRAI had further extended the timeline for subscribers to select channels. Owing to the initial delays in implementation of new tariff order, all the distribution platform operators (DPO) are in transition from previous regime to new regime and are in the process of implementation of contracts with the broadcasters and customers.
- o. The company has calculated the benefits provided to employees as per indian accounting standards 19, are as under

Defined Benefit Plans

- a.) Gratuity Plan
b.) Leave Encashment

In accordance with Indian Accounting Standards (Ind AS) 19, the actuarial valuation carried out in respect of the aforesaid defined benefit plans is based on the following assumption.

Actuarial Assumption	Leave Encashment	Employee Gratuity Fund
Discount Rate (Per annum)	7.50%	7.50%
Rate of Increase in compensation levels	5.00%	5.00%
Expected Rate of return on plan assets	-	-
Expected Average remaining working lives of employees	22.50	22.50
Change in obligation during the year ended 31st March, 2022		
Present Value of obligation as at 1st April, 2021	2.73	5.76
Acquisition adjustment	-	-
Interest cost	0.20	0.42
Past service cost	-	-
Current service cost	0.39	0.60
Curtailement cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	-	-
Actuarial (gain)/loss on obligation	(0.86)	(0.22)
Present value of obligation as at the end of period (31st March, 2022)	2.46	6.56
Change in fair value plan Assets	Nil	Nil
Movement in the liability recognized in the Balance		
Opening net liability (01.04.2021)	(2.73)	(5.76)
Expense as above	(0.27)	0.80
Benefits paid	-	-
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Net assets/(Liability) recognised in Balance Sheet as provision (31.03.2022)	(2.46)	(6.56)
Expenses recognised in Profit and Loss Account		
Current service cost	0.39	0.60
Past service cost	-	-



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Interest cost	0.20	0.42
Settlement cost / (credit)	-	-
Expenses recognized in the statement of profit & losses	0.59	1.02
Other comprehensive (income) / expenses (Remeasurement)		
Actuarial (gain)/loss - obligation	(0.86)	(0.22)
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	(0.86)	(0.22)

Actuarial Assumption.

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

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Sensitivity Analysis for Gratuity

Period	As on: 3/31/2023
Defined Benefit Obligation (Base)	65,56,502 @ Salary Increase Rate : 5%, and discount rate : 7.50%
Liability with x% increase in Discount Rate	61,57,781; x=1.00% [Change (6)%]
Liability with x% decrease in Discount Rate	70,08,680; x=1.00% [Change 7%]
Liability with x% increase in Salary Growth Rate	69,73,615; x=1.00% [Change 6%]
Liability with x% decrease in Salary Growth Rate	61,86,244; x=1.00% [Change (6)%]
Liability with x% increase in Withdrawal Rate	66,19,138; x=1.00% [Change 1%]
Liability with x% decrease in Withdrawal Rate	64,84,998; x=1.00% [Change (1)%]

Sensitivity Analysis for Leave Encashment

Period	As on: 31-03-2023
Defined Benefit Obligation (Base)	2461682
Liability with x% increase in Discount	22,96,442; x=1.00% [Change (7)%]
Liability with x% decrease in Discount	26,53,340; x=1.00% [Change 8%]
Liability with x% increase in Salary	26,56,271; x=1.00% [Change 8%]
Liability with x% decrease in Salary	22,91,265; x=1.00% [Change (7)%]
Liability with x% increase in Withdrawal Rate	24,98,346; x=1.00% [Change 1%]
Liability with x% decrease in Withdrawal Rate	24,20,112; x=1.00% [Change (2)%]

p. Note 1 to 24 form an integral part of the accounts and have been duly authenticated.

q. Fair value measurements

A. Financial instruments by category

	NOTES	Rs. millions	
		31-Mar-23	
		FVTPL	Amortised cost
Financial assets			
Bank deposits		-	-
Amount recoverable		-	-
Interest accrued and not due on fixed deposits		-	-
Security deposits		-	2.38
Unbilled revenues		-	20.04
Trade receivables		-	90.14
Investments (Current, financial assets)		-	-
Cash and cash equivalents		-	108.91
Total financial assets		-	221.47
Financial liabilities			
Borrowings (Non-current, financial liabilities)		-	8.58
Borrowings (Current, financial liabilities)		-	-
Payables for purchase of property, plant and equipment		-	-
Security deposits received from customer		-	-



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Trade payables	-	353.14
Other financial liabilities (current)	-	-
Total financial liabilities	-	361.71

	Rs. millions	
	31-Mar-22	
	FVTPL	Amortised cost
Financial assets		
Bank deposits	-	-
Amount recoverable	-	-
Interest accrued and not due on fixed deposits	-	-
Security deposits	-	2.73
Unbilled revenues	-	21.03
Trade receivables	-	80.14
Investment (Current, financial assets)	-	-
Cash and cash equivalents	-	127.46
Total financial assets	-	231.36
Financial liabilities		
Borrowings (non-current, financial liabilities)	-	8.58
Borrowings (Current, financial liabilities)	-	-
Payables for purchase of property, plant and equipment	-	-
Security deposits	-	-
Trade payables	-	394.54
Other financial liabilities (current)	-	-
Total financial liabilities	-	403.12

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

	March 31, 2023	
	Carrying amount	Fair value
Financial assets		
Bank deposits	-	-
Amount recoverable	-	-
Interest accrued and not due on fixed deposits	-	-
Security deposits	2.38	2.38
Trade receivables	90.14	90.14
Cash and cash equivalents	108.91	108.91
Other bank balances	-	-
Total financial assets	221.47	221.47
Financial liabilities		
Borrowings (non-current, financial liabilities)	8.58	8.58
Borrowings (current, financial liabilities)	-	-
Payables for purchase of property, plant and equipment	-	-
Security deposits	-	-
Trade payables	353.14	353.14
Other financial liabilities (current)	-	-
Total financial liabilities	361.71	361.71

	March 31, 2022	
	Carrying amount	Fair value
Financial assets		
Bank deposits	-	-
Amount recoverable	-	-
Interest accrued and not due on fixed deposits	-	-
Security deposits	2.73	2.73
Unbilled revenue	21.03	21.03
Trade receivables	80.14	80.14
Cash and cash equivalents	127.46	127.46
Total financial assets	231.36	231.36
Financial liabilities		
Borrowings (non-current, financial liabilities)	8.58	8.58
Borrowings (current, financial liabilities)	-	-



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Payables for purchase of property, plant and equipment	-	-
Security deposits	-	-
Trade payables	394.54	394.54
Other financial liabilities (current)	-	-
Total financial liabilities	403.12	403.12

r. Leases

Company as a lessee

The Company has taken various commercial premises under lease. These leases have varying terms, escalation clauses and renewal rights. On renewal the terms of the leases are renegotiated. Rent amounting to Rs.2.57 millions (March 31, 2022- Rs.3.26 millions) has been debited to standalone statement of profit and loss during the year.

s. Capital management

Risk Management

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

Particular	March 31, 2023	March 31, 2022
Cash and cash equivalents (refer note 5)	108.91	127.46
Current investments	-	-
Margin money	-	-
Total cash (A)	108.91	127.46
Borrowings (non-current, financial liabilities)	8.58	8.58
Borrowings (current, financial liabilities) (refer note 15)	58.10	59.33
Current maturities of long-term borrowings	-	-
Current maturities of finance lease obligations	-	-
Total borrowing (B)	66.68	67.91
Net debt (C=B-A)	(42.23)	(59.55)
Total equity		
Total capital (equity + net debts) (D)	(42.23)	25.57
Gearing ratio (C/D)	1.00	(2.33)

t. **Exceptional items:** Pursuant to implementation of the Tariff Order 2017 and upon changes in agreements with customers & due to COVID-19 pandemic situation management has assessed the likelihood of recovery of trade receivables and has accordingly written off trade receivables amounting to Rs. 28.23 millions during the preceding financial year.

u. The GST liabilities and Input credit of GST are subject to reconciliation.

v. Additional disclosures:-

i The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956

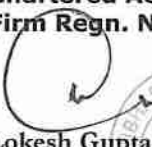


- ii The company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.
- iii The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- iv There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.

v (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.


b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.


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


Lokesh Gupta
Partner
M. No-503853



**For and on behalf of the Board
For Master Channel Community
Network Pvt. Ltd.**


P Sai Babu
Director
DIN-00833403


Vijay Kalur
Director
DIN-08100962



Place : New Delhi
Date : 19/05/2023

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in million, unless stated otherwise)

w. Financials Ratios

Sr. No.	Particulars	31-Mar-23	31-Mar-22	%Change
i)	Current Ratio (A/B)	0.63	0.58	10.09%
	Current assets (A)	279.85	284.13	
	Current liabilities (B)	441.82	493.84	
ii)	Debt-equity ratio (A/B)	0.13	0.10	30.05%
	Total Debt (A)	8.58	8.58	refer note 7 (a)
	Total equity (B)	65.45	85.12	
iii)	Debt-service coverage ratio (A/B)	8.54	11.94	-28.50%
	Earnings available for debt services (i.e EBID)- (A)	73.24	102.43	refer note 7 (b)
	Borrowings including finance cost (B)	8.58	8.58	
iv)	Return on equity ratio (A/B)	(0.32)	(0.18)	80.91%
	Net profit for the year (A)	(20.76)	(14.92)	refer note 7 (c)
	Total equity (B)	65.45	85.12	
v)	Inventory turnover ratio (A/B)	NA	NA	NA
	Cost of goods sold (A)	-	-	
	Average inventory (B)	-	-	
vi)	Trade receivables turnover ratio (A/B)	7.49	7.11	5.37%
	Revenue from operations (A)	637.84	716.18	
	Average trade receivables (B)	85.14	100.73	
vii)	Trade payables turnover ratio (A/B)	1.44	1.32	9.21%
	Credit purchases (A)	538.58	584.93	
	Average trade payables (B)	373.84	443.40	
viii)	Net capital turnover ratio (A/B)	(3.94)	(3.41)	15.32%
	Revenue from operations (A)	637.84	716.18	
	Working Capital	(161.97)	(209.72)	
ix)	Net profit ratio (A/B)	(0.03)	(0.02)	56.19%
	Net profit after tax	(20.76)	(14.92)	refer note 7 (d)
	Revenue from operations	637.84	716.18	
x)	Return on capital employed (A/B)	(0.29)	(0.12)	142.64%
	Earning before interest but after taxes (A)	(18.84)	(12.02)	refer note 7 (e)
	Capital employed or net assets (B)	65.45	85.12	
xi)	Return on investment	(0.32)	(0.15)	115.35%
	Net profit after tax (A)	(20.76)	(14.92)	refer note 7 (f)
	Capital employed or net assets (B)	65.45	85.12	



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Notes:

- 1 Ratios relating to balance sheet items have been presented as at 31 March 2023 and 31 March 2022. Whereas, ratios relating to items of statement of profit and loss account has been presented for financial year ended 31 March 2023 and 31 March 2022.
- 2 Net profit after tax excludes other comprehensive income
- 3 Net assets is the total of equity share capital and other equity.
- 4 Total debt comprise of borrowings from external lenders.
- 5 Credit purchases comprise of purchases during the year and other expenses
- 6 Earnings available for debt services comprise of earning before interest and depreciation.
- 7 Reason for change by more than 25%
 - a) Due in increase in loss for the year.
 - b) Declined due to lower earning before interest and depreciation as compared to previous year
 - c) Declined due to increase in loss for the year
 - d) Increase due to higher loss after tax and lower revenue from operations in comparison to previous year.
 - e) Increase due to higher loss before interest but after taxes in comparison to previous year.
 - f) Increase due to higher loss after tax and higher accumulated losses in comparison to previous year.



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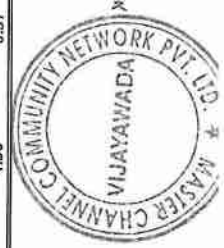
MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Tangible assets											(millions)	
Gross block	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Studio equipment	Vehicles	Leasehold improvements	Set top boxes	Electrical Equipments	Total	
Balance as at Mar 31, 2020	0.48	51.03	4.03	4.07	1.57	11.67	2.50	2.00	646.52	0.36	724.22	
Additions		0.65	0.01	0.10	0.06	0.76	-	-	29.81	0.33	31.72	
Disposal		-	-	-	-	-	-	-	-	-	-	
Balance as at Mar 31, 2021	0.48	51.68	4.04	4.17	1.63	12.43	2.50	2.00	676.34	0.69	755.94	
Additions		0.30	0.11	0.17	0.00	-	-	-	30.11	-	30.70	
Disposal		-	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2022	0.48	51.98	4.15	4.34	1.64	12.43	2.50	2.00	706.45	0.69	786.64	
Additions		0.53	0.23	0.75	0.01	0.09	-	-	30.10	-	31.71	
Disposal		-	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2023	0.48	52.51	4.38	5.09	1.65	12.51	2.50	2.00	736.55	0.69	818.35	
Accumulated depreciation												
Balance as at March 31, 2020	0.48	39.42	2.70	3.41	1.33	7.97	0.78	2.00	296.65	0.26	354.99	
Charge for the year		4.60	0.65	0.23	0.05	0.53	0.28	-	82.32	-	88.66	
Reversal on disposal of assets		-	-	-	-	-	-	-	-	-	-	
Balance as at Mar 31, 2021	0.48	44.02	3.35	3.64	1.38	8.50	1.06	2.00	378.96	0.26	443.65	
Charge for the year		3.60	0.43	0.34	0.05	0.38	0.28	-	86.31	-	91.40	
Reversal on disposal of assets		-	-	-	-	-	-	-	-	0.02	0.02	
Balance as at Mar 31, 2022	0.48	47.62	3.78	3.98	1.43	8.88	1.35	2.00	465.28	0.24	535.02	
Charge for the year		1.11	0.36	0.47	0.05	0.38	0.28	-	89.90	-	92.55	
Reversal on disposal of assets		-	-	-	-	-	-	-	-	-	-	
Balance as at Mar 31, 2023	0.48	48.72	4.14	4.45	1.48	9.26	1.63	2.00	555.18	0.24	627.57	
Balance as at March 31, 2022	(0.00)	4.36	0.37	0.36	0.21	3.55	1.15	-	-	0.45	251.62	



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MASTER CHANNEL COMMUNITY NETWORK PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31 2023

Rs. in Millions

	March 31, 2023	March 31, 2022
	Rs.	Rs.
3 Loans & Advances (Unsecured, considered good)		
Security deposits	2.38	2.73
Other Receivable	-	-
	2.38	2.73
Less: Provision for doubtful security deposits	-	-
	2.38	2.73
4 Trade receivables (Unsecured, considered good)		
Particulars	March 31, 2023	March 31, 2022
	Rs.	Rs.
Trade Receivable - others	105.14	97.85
Trade Receivable - Related parties	-	-
Less: Expected Credit Loss Allowance	15.00	17.70
Total	90.14	80.14
5 Cash and bank balances		
Particulars	March 31, 2023	March 31, 2022
	Rs.	Rs.
Cash and cash equivalents		
Cash on hand	3.46	3.61
Cheques on hand	-	-
Balances with banks		
On current accounts	30.75	53.86
In deposit account (with maturity upto three months)	74.70	70.00
	108.91	127.46
6 Other Financial Assets		
Particulars	March 31, 2023	March 31, 2022
	Rs.	Rs.
Unsecured, considered good		
Unbilled Revenue	20.04	21.03
	20.04	21.03
7 Other Current Assets (Unsecured, considered good)		
Particulars	March 31, 2023	March 31, 2022
	Rs.	Rs.
Advance to suppliers	28.80	11.72
Advance to Related Party	-	-
Income Tax Refund	4.87	4.26
Advance to Employees	0.55	0.15
Advance tax/TDS Receivable	3.29	16.05
Deposit against VAT demand	21.33	21.33
Prepaid Expenses	0.10	0.24
Accrued Interest	-	-
Indirect Tax	1.85	1.74
	60.77	55.49
8 Share capital		
Particulars	March 31, 2023	March 31, 2022
	Rs.	Rs.
Authorised share capital		
5,000 (Previous year: 5,000) equity shares of ₹ 100 each	0.50	0.50
Total authorised capital	0.50	0.50
Issued, Subscribed and Paid up		
5,000 (Previous year: 5,000) equity shares of ₹ 100 each	0.50	0.50
Total paid up capital	0.50	0.50
(i) Reconciliation of number of shares outstanding as on 31.03.2019		
Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of the year	Nos. 5,000	5,000
Issued during the year	Nos. -	-
Balance at the end of the year	Nos. 5,000	5,000
(ii) Rights, Preferences and Restrictions attached to equity shares		
The Company has one class of equity shares having a par value of Rs. 100 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.		
(iii) Shares held by Holding Company, Ultimate Holding Company and their subsidiaries/associates:		
The details of equity shares held by holding company, Ultimate Holding Company and their subsidiaries/associates are as under:		
Particulars	March 31, 2023	March 31, 2022
Central Bombay Cable Network Ltd	Nos. 3,300	3,300
	% 66.00	66.00



P. Subb *Ajey*



(b) Shareholders holding more than 5% of total equity shares

Particulars		March 31, 2023	March 31, 2022
Central Bombay Cable Network Ltd	Nos	3,300	3,300
	%	66.00	66.00
Pothen Kiranmayee	Nos	754	754
	%	15.08	15.08
Pothen Sai Babu	Nos	376	376
	%	7.52	7.52

	March 31, 2023	March 31, 2022
	Rs.	Rs.
9 Other Equity		
Retained Earnings		
Balance at the beginning of the year	84.62	97.55
Prior Period Adjustment	-	-
Add: Profit/(Loss) for the year	(20.76)	(14.92)
Balances as at the end of the year (A)	63.86	82.62
Others		
Transfer from Deferred Activation Revenue	-	-
Balances as at the end of the year (B)	-	-
Other Comprehensive income		
Other comprehensive income recognised directly in retained earnings		
Deferred Activation Revenue	-	-
Gratuity/Leave Encasement	1.09	2.00
Balances as at the end of the year (C)	1.09	2.00
Balances as at the end of the year (A+B+C)	64.95	84.62
10 Long-term borrowings		
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Loans and advances from Directors/Related parties- Unsecured	8.58	8.58
*Terms of Repayment: Not Specified		
* Rate of Interest: Nil		
	8.58	8.58
Total Long term Loan	8.58	8.58
11 Provisions		
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Provision for employee benefits (Refer Note 31)		
Provision for gratuity	5.82	5.21
Provision for compensated absences	2.08	2.41
	7.90	7.63
12 Deferred tax Assets (net)		
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
Others	-	-
Gross deferred tax liability	-	-
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	2.15	7.91
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	31.28	20.05
Others	-	-
Gross deferred tax Asset	33.43	27.96
Net deferred tax asset/(Liabilities)	(33.43)	(27.96)
13 Other Non-Current Liabilities		
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Deferred Activation Revenue	-	-
	-	-
14 Trade payables		
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Trade Payables - others	121.21	137.88
Trade payables - related parties	231.93	256.66
	353.14	394.54
15 Other Current Liabilities		
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Advances from Non Related Parties	12.62	13.84
Advances from Related Parties	45.49	45.49
TDS Payable	7.43	9.71
GST Payable	2.87	-6.64
STB Deposit	-	0.26
ESI/PF/PT Payable	0.43	0.38
Income billed in advance	13.74	16.38
	82.56	90.71
16 Provisions		
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Provision for gratuity	0.74	0.55
Provision for compensated absences	0.38	0.32
Provision for Taxation A/c	5.00	7.73
	6.12	8.59



P. J. S.

A. S.



Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

17 Revenue from operations	March 31, 2023 Rs.	March 31, 2022 Rs.
Sale of services		
Digital income	381.89	444.86
Advertisement income	53.79	45.54
Carriage/Incentive income	202.16	214.51
Sale of STB	-	1.61
Sale of Headend	-	9.66
	637.84	716.18
18 Other income	March 31, 2023 Rs.	March 31, 2022 Rs.
Interest income on		
Bank deposits	1.85	2.63
IT Refund	0.76	1.25
Foreign Currency Fluctuation	-	0.24
Excess provisions written back	3.60	-
Other non-operating income	0.18	0.04
	6.39	4.16
19 Purchases of traded goods	March 31, 2023 Rs.	March 31, 2022 Rs.
Purchase of STB	-	1,578.08
Purchase of Headend	-	9.66
	-	11.24
20 Carriage Sharing, Pay Channel and Related Cost	March 31, 2023 Rs.	March 31, 2022 Rs.
Pay Channel Subscription	422.31	462.52
	422.31	462.52



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Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

	March 31, 2023	March 31, 2022
	Rs.	Rs.
21 Employee benefits expense		
Salaries, allowances and bonus	29.36	27.99
Contributions to provident and other funds	2.65	2.47
Employee benefits expenses	-	-
Bonus	-	1.64
Staff welfare expenses	0.40	0.88
	32.41	32.98
22 Finance costs		
Interest on late deposit of TDS/Service Tax/GST	0.10	2.87
Bank charges	1.82	0.03
	1.92	2.90
23 Depreciation and amortisation expenses		
Depreciation of tangible assets (Refer note 12)	92.55	91.37
Amortisation of intangible assets (Refer note 13)	-	-
	92.55	91.37
24 Other expenses		
Rent	2.57	3.26
Office Expenses	1.56	0.87
Rates and Taxes	-	0.01
Communication Expenses	0.64	0.54
Repairs and Maintenance :		
- Building	0.01	0.01
- Others	9.41	8.32
Program Production Expenses	1.36	1.17
Other Operational Cost	43.27	20.25
Repairs and Maintenance - Network	1.12	0.52
Management Service Charges	4.19	4.93
Electricity Expenses & Water Charges	1.85	4.61
Legal, Professional and Consultancy Charges	0.48	1.49
Printing and Stationery	0.19	0.26
Service Charges	0.14	0.09
Service Tax Write off	-	-
Ineligible GST Expense	-	-
Travelling and Conveyance Expenses	1.40	1.53
Insurance expenses	0.02	0.10
Miscellaneous Expenses	-	0.01
Commission to payment gateways	-	2.09
Payment to auditor (Refer details below)	0.08	0.08
Commission Charges and Incentives	32.90	60.20
Provision for Doubtful debts	15.00	-
Bad Debts	-	-
Foreign Currency Fluctuation	0.09	-
Business and Sales Promotion	-	0.76
Security Service Charges	0.01	0.06
	116.27	111.16
*Auditors' remuneration		
as an auditor	0.08	0.08
Limited review fees	0.03	0.03
for other services (certifications)	0.10	0.10
for reimbursement of expenses	-	-
	0.20	0.20



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Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

2. Earnings per share

	March 31, 2023	March 31, 2022
	Rs.	Rs.
Profit attributable to equity shareholders	(20.76)	(14.92)
Number of weighted average equity shares		
Basic	5,000	5,000
Diluted	5,000	5,000
Effect of dilutive potential equity shares—		
Employee stock options	-	-
Warrants	-	-
Optionally fully convertible debentures	-	-
Nominal value of per equity share (₹)	100	100
Earning per share after tax (₹)		
Basic	(4,151.67)	(2,984.53)
Diluted	(4,151.67)	(2,984.53)

~Effect of potential equity shares being anti-dilutive has not been considered while calculating diluted weighted average equity shares and earnings per share.

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x. Ageing of Trade Receivables and Trade Payables

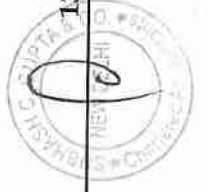
Amount in Rs. in Millions

Trade Receivables
As at 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
Undisputed							
(i) Considered good			31.89	19.70	-	-	51.59
(ii) Significant increase in credit risk			-	-	15.59	6.52	38.55
(iii) Credit impaired						15.00	15.00
Disputed							
(iv) Considered good							-
(v) Significant increase in credit risk							-
(vi) Credit impaired							-
Unbilled	20.04						20.04
Total	20.04	-	31.89	19.70	15.59	6.52	125.18

Trade Receivables
As at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
Undisputed							
(i) Considered good			17.85	18.19	-	-	36.05
(ii) Significant increase in credit risk			-	-	6.16	13.37	44.10
(iii) Credit impaired			-	-	-	-	17.70
Disputed							
(iv) Considered good							-
(v) Significant increase in credit risk							-
(vi) Credit impaired							-
Unbilled	21.03						21.03
Total	21.03	-	17.85	18.19	6.16	13.37	118.87



Trade Payables
As at 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-	-	-
ii) Others	50.96	-	134.79	160.44	0.82	6.12	353.14
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
Total	50.96	-	134.79	160.44	0.82	6.12	353.14

Trade Payables
As at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	-	-	-	-	-
ii) Others	52.18	-	47.87	14.14	15.51	264.85	394.54
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
Total	52.18	-	47.87	14.14	15.51	264.85	394.54



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