



Independent Auditor's Report

To the Members of Central Bombay Cable Network Limited
Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of M/s Central Bombay Cable Network Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The respective Board of Directors/management of the companies included in the Group and its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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






AAAM & CO



CHARTERED ACCOUNTANTS

An ISO 9001: 2008 Certified Co.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter(s) paragraph below is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2018, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.



Other Matter(s)

9. We did not audit the financial statements / financial information of *one* subsidiary, whose financial statements / financial information reflect total assets of Rs 716.47 million and net assets of Rs 55.82 million as at 31 March 2018, total revenues of Rs 479.79 million and net cash outflows amounting to Rs 15.16 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose report(s) has/have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors. Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance {on the work done by and the reports of the other auditors and the financial statements / financial information certified by the management.}

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report(s) of the other auditor(s) on separate financial statements and other financial information of the subsidiary, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors
 - The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 13 of the Act;
 - On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies covered under the Act, are






AAAM & CO
CHARTERED ACCOUNTANTS
An ISO 9001: 2008 Certified Co.

disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act. {The list of subsidiary company(ies), associate company(ies) and joint venture company(ies) covered under the Act where the disqualification arose and the respective directors are stated below:}

| S. No. | Name of Company | Name of Director |
|--------|-----------------|------------------|
| | N/A | N/A |
| | | |

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure 1';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures:
- There were no pending litigations as at 31 March 2018 which would impact the consolidated financial position of the Group, its associates and joint ventures;
 - the Group, its associates and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act during the year ended 31 March 2018

For AAAM & CO.
CHARTERED ACCOUNTANTS
FRN: 08113C

(CA RAHUL GUPTA, FCA)

PARTNER

M. NO. 419625

DATE: 07/05/2018

PLACE: NOIDA

Annexure 1 to the Independent Auditor's Report of even date to the members of Central Bombay Cable Network Limited, on the consolidated financial statements for the year ended 31 March 2018

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Central Bombay Cable Network Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on Internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") 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 the company's business, including adherence to the company's policies, the safeguarding of the company's 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

The block contains a handwritten signature in black ink, which appears to be 'All Kesh'. Below the signature is a circular stamp. The stamp has a double-line border. The outer ring contains the text 'INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA' at the top and '1956' at the bottom. The inner circle contains the text 'NOIDA' in the center.

5. We believe that the audit evidence we have obtained {and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below,} is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. We did not audit the IFCoFR insofar as it relates to one subsidiary company, which are companies incorporated in India, whose financial statements / financial information reflecting total assets (after eliminating intra-group transactions) of Rs.716.47 million as at 31 March 2018 of Master Channel Community Network Private Limited, total revenues (after eliminating intra-group transactions) of Rs. 479.79 million and net cash outflows amounting to Rs. 15.16 million for the year ended on that date has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its

Alber



subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, under Section 143(3) (i) of the Act insofar as it relates to the aforesaid subsidiaries, associates and jointly controlled companies, which are companies incorporated in India, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

For A A A M & CO.
CHARTERED ACCOUNTANTS
FRN NO. 08113C



(CA RAHUL GUPTA, FCA)
PARTNER
M NO. 419625

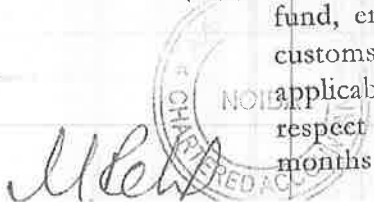
Date: 08/05/2018
Place: NOIDA

**Annexure I to the Independent Auditor's Report of even date to the members of M/s
Central Bombay Cable Network Limited (Consolidated) ,on the financial statements for
the year ended 31 March 2018**

Annexure I a

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, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of property, plant and equipment, capital work-in-progress and other intangible assets, except for Set Top Boxes capitalized/installed at customer premises.
- (b) According to the information and explanations given to us, the fixed assets (other than Set top boxes installed at customer premises and those in transit or lying with the distributors/ cable operators and distribution equipment comprising overhead and underground cables, physical verification of which is infeasible owing to the nature and location of these assets) have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, 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) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

The image shows a handwritten signature in blue ink at the bottom left. To its right is a circular stamp with the text 'CHARTERED ACCOUNTANTS' around the perimeter and 'NO. 101' in the center.

Annexure I to the Independent Auditor's Report of even date to the members of M/s Central Bombay Cable Network Limited (Consolidated) ,on the financial statements for the year ended 31 March 2018

- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax 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 |
|-----------------|----------------|-----------------------|--|
| NIL | NIL | NIL | NIL |

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company has no loans or borrowings payable to government and no dues payable to debenture-holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company did not make any private placement and preferential allotment of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For AAA M & CO.
CHARTERED ACCOUNTANTS
FRN: 08113C**

**(CA RAHUL GUPTA, FCA)
PARTNER
M. No. 419625**

**DATE: 08.05.2018
PLACE: NOIDA**

Consolidated Central Bombay Cable Network Limited
Balance Sheet as at March 31, 2018

| | Notes | March 31, 2018 ` millions | March 31, 2017 ` millions |
|--|-------|------------------------------|------------------------------|
| A. Assets | | | |
| 1. Non-current assets | | | |
| Fixed assets | | | |
| (a) Property, plant and equipment | 3 | 419.44 | 0.00 |
| (b) Capital work-in-progress | | 59.09 | 37.85 |
| (a) Financial assets | | | |
| (i) Investments | 4 | 0.06 | 0.06 |
| (ii) Loans | 5 | 2.20 | 1.90 |
| (b) Other non-current assets | 6 | 39.54 | 370.00 |
| Sub-total of Non-current assets | | 520.33 | 409.82 |
| 2. Current assets | | | |
| (a) Financial assets | | | |
| (i) Trade receivables | 7 | 91.97 | 124.99 |
| (ii) Cash and bank balances | 8 | 58.87 | 16.28 |
| (iii) Loans | 9 | - | - |
| (iv) Other Financial Assets | 10 | 7.17 | 1.15 |
| (b) Other current assets | 11 | 80.23 | 45.09 |
| Sub-total of Current assets | | 238.25 | 187.50 |
| Total assets | | 758.58 | 597.32 |
| B. Equity and liabilities | | | |
| Equity | | | |
| (a) Equity share capital | 12 | 0.50 | 0.50 |
| (b) Other equity | 13 | 15.24 | 9.26 |
| (c) Non-controlling interests | 14 | 17.28 | 13.49 |
| Sub-total - Equity | | 33.02 | 23.26 |
| Liabilities | | | |
| 1. Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Long-term borrowings | 15 | 8.58 | 386.77 |
| (b) Provisions | 16 | 4.01 | 3.35 |
| (c) Deferred tax liability (net) | 17 | 4.64 | 5.52 |
| (d) Other non-current liabilities | 18 | 34.34 | 37.44 |
| Sub-total - Non-current liabilities | | 51.56 | 433.08 |
| 2. Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Trade payables | 19 | 503.01 | 402.31 |
| (b) Other current liabilities | 20 | 166.07 | 107.57 |
| (c) Provisions | 21 | 4.92 | 14.35 |
| Sub-total of current liabilities | | 674.00 | 524.24 |
| Total equity and liabilities | | 758.58 | 980.57 |
| | | 0.00 | |
| Summary of significant accounting policies | 1-2. | | |

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 A A A M & Co
Chartered Accountants
FRN: 08113C

For CENTRAL BOMBAY CABLE
NETWORK LTD.

SD/-
(CA Rahul Gupta, ACA)
Partner
M.No-419625

SD/-
Sandeep Kumar Jain
Director
DIN: 00011667

SD/-
Dhiraj Gupta
Director
DIN: 08065461

Place : Noida
Date : 08/05/2018

Consolidated Central Bombay Cable Network Limited
Statement of Profit and Loss for the year ended March 31, 2018

| | Notes | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|--|-------|-------------------------|-------------------------|
| Revenue | | | |
| Revenue from operations | 22 | 478.72 | 356.61 |
| Other income | 23 | 1.07 | 0.87 |
| Total revenue | | 479.79 | 357.48 |
| Expenses | | | |
| Purchases of traded goods | 24 | 31.36 | - |
| Carriage sharing, pay channel and related costs | 25 | 171.23 | 149.84 |
| Employee benefits expense | 26 | 26.27 | 7.60 |
| Finance costs | 27 | 0.91 | 0.72 |
| Depreciation and amortisation expenses | 28 | 66.16 | 56.08 |
| Other expenses | 29 | 124.62 | 138.10 |
| Total expenses | | 420.55 | 352.33 |
| Profit before Exceptional items expenses | | 59.24 | 5.14 |
| Exceptional items | | 45.99 | - |
| Profit before tax | | 13.25 | 5.14 |
| Tax Expenses | | | |
| Current Tax | | 4.68 | 0.84 |
| Previous Year Tax | | - | 1.82 |
| Deferred Tax | | (0.88) | 0.77 |
| Total Profit/(Loss) for the period | | 9.46 | 1.70 |
| Minority | | 3.79 | |
| Other Comprehensive income | | | |
| (i) Items that will not be reclassified to profit or loss | | | |
| (a) Remeasurement of the defined benefit (liabilities) / assets | | (0.31) | 0.19 |
| (b) Remeasurement of the activation Income | | - | - |
| Total Comprehensive Income/(loss) for the year | | 5.98 | 1.51 |
| Loss per share after tax (₹) | 30 | | |
| Basic | | 119.57 | 30.26 |
| Diluted | | 119.57 | 30.26 |
| Summary of significant accounting policies | 1-2. | | |

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

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

For A A A M & Co
Chartered Accountants
FRN: 08113C

For and on behalf of the Board of Directors of
For CENTRAL BOMBAY CABLE NETWORK LTD.

SD/-
(CA Rahul Gupta, ACA)
Partner
M.No-419625

SD/-
Sandeep Kumar Jain
Director
DIN: 00011667

SD/-
Dhiraj Gupta
Director
DIN: 08065461

Place : Noida
Date :08/05/2018

Consolidated Central Bombay Cable Network Limited

Cash flow statement for the year ended March 31,2018

| Cash flow from operating Activities | March 31,2018 | March 31,2017 |
|---|-----------------|-----------------|
| | millions | millions |
| Profit Before tax from continuing operations | 13.25 | 5.14 |
| Non Cash adjustment to reconcile profit before tax to net cash flows | - | - |
| Depreciation/Amortisation on continuing operations | 66.16 | 56.08 |
| Other Non Operating Income | (0.45) | |
| Operating Profits before working capital changes | 78.96 | 61.22 |
| Movement in working capital: | | |
| Increase/(Decrease) in trade payables | 100.69 | 111.06 |
| Increase/(Decrease) in short term provisions | (8.77) | (5.18) |
| Increase/(Decrease) in other current liabilities | 58.50 | (39.08) |
| Decrease/(Increase) in trade receivables | 33.03 | (91.52) |
| Decrease/(Increase) in short terms loans and advances & Other current assets | (41.16) | 40.02 |
| Cash generated from/(used) in operations | 142.29 | 15.30 |
| Direct tax paid(net of refunds) | 7.75 | 3.43 |
| Net Cash flow from/(used) in operating activities (A) | 134.54 | 11.87 |
| Cash Flow from investing activities | | |
| Purchase of fixed assets, including CWIP and capital advances | (123.59) | (28.09) |
| Proceeds of non current investments | 330.47 | (369.47) |
| Long-term loans and advances | (0.30) | - |
| Net Cash flow from/(used) in investing activities (B) | 206.58 | (397.56) |
| Cash Flow from Financing activities (C) | | |
| Equity | 3.79 | 0.53 |
| Repayment of Long Term Borrowings | (381.29) | - |
| Proceeds from Long Term Borrowings | | 364.80 |
| Net Cash flow from/(used) in Financing activities (C) | (377.50) | 365.33 |
| Net Increase/(Decrease) in cash and cash equivalent (A+B+C) | 42.59 | (20.36) |
| Effect of exchange difference in cash and cash equivalents held in foreign currency | | |
| Cash and cash equivalent at the beginning of the year | 16.28 | 36.64 |
| Cash and cash equivalent at the end of the year | 58.87 | 16.28 |
| Components of cash and cash equivalents | | |
| Cash on hand | 4.03 | 6.82 |
| With Bank-on current account | 54.85 | 9.46 |
| Total Cash and cash equivalent(Note 8) | 58.87 | 16.28 |

For A A A M & Co
Chartered Accountants
FRN: 08113C

For and on behalf of the Board of Directors of
Central Bombay Cable Network Limited.

SD/-
(CA RAHUL GUPTA, FCA)
Partner
M.No-419625

SD/-
SANDEEP KUMAR JAIN
DIRECTOR
DIN No. 00011667

SD/-
DHEERAJ GUPTA
DIRECTOR
DIN No. 08065461

Place : NOIDA
Date : 08/05/2018

Consolidated Central Bombay Cable Network Limited

(a) Equity share capital

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

| | | Amount in INR | | | |
|--|--|----------------------|--------|----------------------|--------|
| | | As at March 31, 2018 | | As at March 31, 2017 | |
| | | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the reporting period | | 5,000 | 0.50 | 5,000 | 0.50 |
| Changes in equity share capital during the year | | - | - | - | - |
| Balance at the end of the reporting period | | 5,000 | 0.50 | 5,000 | 0.50 |

| (b) Other equity | Attributable to the equity Shareholders | | | | Non-Controlling Interests |
|--|---|---|----------------------------------|---------|---------------------------|
| | Reserves & Surplus | Other items of other comprehensive income | Equity portion of OCD conversion | Total | |
| Particulars | Retained earnings | | | | |
| Balance at April 1, 2016 | 21.07 | - | - | 21.07 | - |
| Changes in accounting policy / prior period errors | - | - | - | - | - |
| Restated balance at the beginning of the reporting period | 21.07 | - | - | 21.07 | - |
| Profit/(Loss) for the year | (11.62) | - | - | (11.62) | - |
| Other comprehensive income for the year | - | (0.19) | - | (0.19) | - |
| Total comprehensive income for the year | (11.81) | (0.19) | - | 9.26 | - |
| Any other charge (to be specified) | - | - | - | - | - |
| Balance at March 31, 2017 | 9.26 | - | - | 9.26 | 13.49 |
| Changes in accounting policy / prior period errors | - | - | - | - | - |
| Restated balance at the beginning of the reporting period 01.0 | 9.26 | - | - | 9.26 | 13.49 |
| Profit/(Loss) for the year | 5.67 | - | - | 5.67 | 3.79 |
| Other comprehensive income for the year | - | 0.31 | - | 0.31 | - |
| Total comprehensive income for the year | 5.98 | 0.31 | - | 15.24 | 3.79 |
| Add : Equity portion of OCD conversion | - | - | - | - | - |
| Balance at March 31, 2018 | 15.24 | - | - | 15.24 | 17.28 |

For A A A M & Co
 Chartered Accountants
 FRN: 08113C

For and on behalf of the Board of Directors of
 Central Bombay Cable Network Limited.

SD/-
 (CA RAHUL GUPTA, FCA)
 Partner
 M.No-419625

SD/-
 SANDEEP KUMAR JAIN
 DIRECTOR
 DIN No. 00011667

SD/-
 DHEERAJ GUPTA
 DIRECTOR
 DIN No. 08065461

Place : NOIDA
 Date : 08/05/2018

Consolidated Central Bombay Cable Network Limited
explanatory information for the year ended March 31, 2018

4 Non-current investments (Non trade, unquoted)

Long term investments
 (Valued at cost unless stated otherwise)

Investment in equity instruments

30,000 (Previous year 30,000) equity shares of ` 2 each fully paid up of Indian Cable Net Company Limited

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|---|-------------------------|-------------------------|
| | 0.06 | 0.06 |
| | 0.06 | 0.06 |
| Less : Provision for diminution in the value of investments | - | - |
| | 0.06 | 0.06 |

5 Loans

Security deposits

Unsecured, considered good

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|--|-------------------------|-------------------------|
| | 2.20 | 1.90 |
| | 2.20 | 1.90 |
| | 2.20 | 1.90 |

6 Other non-current assets

Other advances

Variety Entertainment Pvt Ltd.

Hamlet Media Network Limited

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|--|-------------------------|-------------------------|
| | 39.54 | 65.00 |
| | - | 305.00 |
| | 39.54 | 370.00 |

7 Trade receivables

Unsecured, considered good

Unsecured, considered doubtful

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|-----------------------------|-------------------------|-------------------------|
| | 91.97 | 124.99 |
| | - | 1.68 |
| | 91.97 | 126.66 |
| Less: Credit Loss Allowance | - | 1.68 |
| | 91.97 | 124.99 |
| | 91.97 | 124.99 |

8 Cash and bank balances

Cash and cash equivalents

Cash on hand

Cheques on hand

Balances with banks

On current accounts

In deposit account (with maturity upto three months)

| | Current 31-Mar-18 ` millions | Current 31-Mar-17 ` millions |
|--|------------------------------------|------------------------------------|
| | 4.03 | 6.82 |
| | - | - |
| | 54.85 | 9.46 |
| | 58.87 | 16.28 |

Consolidated Central Bombay Cable Network Limited
explanatory information for the year ended March 31, 2018

9 Loans and advances

| Short-term | Short-term |
|-------------------|-------------------|
| 31-Mar-18 | 31-Mar-17 |
| ` millions | ` millions |

Advances recoverable in cash or kind

Unsecured, considered good

Other advances

Doubtful

Advances to distribution companies

Less: Provision for doubtful advances

| | |
|---|---|
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |

10 Other Financial Assets

| 31-Mar-18 | Short-term |
|-------------------|-------------------|
| ` millions | 31-Mar-17 |
| ` millions | ` millions |

Unsecured, considered good

Unbilled Revenue

Expenses Recoverable

Advances to distribution companies

Less: Provision for doubtful advances

| | |
|------|------|
| 7.17 | 1.15 |
| - | - |
| - | - |
| - | - |
| 7.17 | 1.15 |

11 Other Current Assets

| 31-Mar-18 | 31-Mar-17 |
|------------------|------------------|
|------------------|------------------|

Balances with statutory authorities

Advance to suppliers

Advance to Employees

Advance tax

Deposit against VAT demand

Prepaid Expenses

Indirect Tax

| | |
|-------|-------|
| 2.47 | 2.47 |
| 19.48 | 2.86 |
| 0.16 | 0.15 |
| 14.09 | 9.24 |
| 4.87 | 2.29 |
| 0.08 | 0.08 |
| 39.09 | 28.00 |
| 80.23 | 45.09 |

12 Share capital

| 31-Mar-18 | 31-Mar-17 |
|-------------------|-------------------|
| ` millions | ` millions |

Authorised share capital

50,000 (Previous Year: 50,000) Equity Shares of Rs. 10 each

| | |
|------|------|
| 0.50 | 0.50 |
| 0.50 | 0.50 |

Total authorised capital

Issued share capital

50,000 (Previous Year: 50,000) Equity Shares of Rs. 10 each

| | |
|------|------|
| 0.50 | 0.50 |
| 0.50 | 0.50 |

Total issued capital

Subscribed and fully paid up capital

50,000 (Previous Year: 50,000) Equity Shares of Rs. 10 each

| | |
|------|------|
| 0.50 | 0.50 |
| 0.50 | 0.50 |
| 0.50 | 0.50 |

Total paid up capital

Consolidated Central Bombay Cable Network Limited
explanatory information for the year ended March 31, 2018

| 13 Other Equity | 31-Mar-18 | 31-Mar-17 |
|---|-------------------|-------------------|
| | ` millions | ` millions |
| Deficit in the Statement of profit and loss | | |
| Balance at the beginning of the year | 9.26 | 21.07 |
| Add: Profit (Loss) for the year | 5.98 | (11.62) |
| Less: Minority's Share of Profit | | |
| Balances as at the end of the year (A) | 15.24 | 9.46 |
| Other Comprehensive income | | |
| Other comprehensive income recognised directly in retained earnings | | |
| Deferred Activation Revenue | - | - |
| Gratuity/Leave Encashment | - | (0.19) |
| Balances as at the end of the year (B) | - | (0.19) |
| Balances as at the end of the year (A+B) | 15.24 | 9.26 |
| 14 Non-Controlling Interests | 31-Mar-18 | 31-Mar-17 |
| | ` millions | ` millions |
| Minority Interests | 17.28 | 13.49 |
| | 17.28 | 13.49 |
| 15 Long-term borrowings | 31-Mar-18 | 31-Mar-17 |
| | ` millions | ` millions |
| (a) Term loans from banks (Secured) | | |
| Term loans | - | - |
| Buyer's credits | - | - |
| Loans and advances from Directors/Related parties- Unsecured | 8.58 | 8.58 |
| Unsecured loan- Siti Networks Ltd. | - | 378.19 |
| | 8.58 | 386.77 |
| 16 Provisions | 31-Mar-18 | 31-Mar-17 |
| | ` millions | ` millions |
| Provision for employee benefits | | |
| Provision for gratuity | 2.69 | 2.32 |
| Provision for compensated absences | 0.88 | 0.59 |
| Provision for Tax | 0.24 | 0.24 |
| Payable Against Investment | 0.20 | 0.20 |
| | 4.01 | 3.35 |
| 17 Deferred tax liability (net) | 31-Mar-18 | 31-Mar-17 |
| | ` millions | ` millions |
| Deferred tax liability | | |
| Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting | 6.08 | 7.21 |
| Others | - | - |
| Gross deferred tax liability | 6.08 | 7.21 |

Consolidated Central Bombay Cable Network Limited
explanatory information for the year ended March 31, 2018

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

Others

Gross deferred tax Assets

1.44 1.69

- -

1.44 1.69

Net deferred tax asset/(Liabilities)

4.64 5.52

18 Other Non-Current liabilities

Deferred Activation Revenue

31-Mar-18 31-Mar-17
` millions ` millions

34.34 37.44

34.34 37.44

19 Trade payables

- Total outstanding dues of micro enterprises and small enterprises

Trade Payables - others

Trade payables - related parties

31-Mar-18 31-Mar-17
` millions ` millions

2.82 2.82

127.34 89.54

372.85 309.96

503.01 402.31

20 Other Current Liabilities

Expenses Payable

Other Liabilities

Advances from Non Related Parties

Advances from Related Parties

Entertainment Tax Payable

TDS Payable

Service Tax Payable

GST Payable

Others

Deferred Activation Revenue

Income received in advance

31-Mar-18 31-Mar-17
` millions ` millions

0.13 0.08

56.83 7.50

12.92 9.31

47.09 44.09

- 3.67

4.78 5.05

0.01 5.53

13.28

0.00 0.00

28.28 29.78

2.75 2.58

166.07 107.57

21 Provisions

Liability for expenses

Provision for gratuity

Provision for compensated absences

Provision for Taxation A/c

31-Mar-18 31-Mar-17
` millions ` millions

- 13.45

0.16 0.06

0.07 -

4.68 0.84

-

4.92 14.35

Consolidated Central Bombay Cable Network Limited

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

22 Revenue from operations

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|--|-------------------------|-------------------------|
| Sale of services | | |
| Subscription income | 246.70 | 203.84 |
| Advertisement income | 54.23 | 29.40 |
| Carriage income | 63.04 | 50.56 |
| Activation and Set top boxes pairing charges | 82.80 | 72.81 |
| Other operating revenue | | |
| Sale of traded goods* | 31.94 | - |
| | 478.72 | 356.61 |

23 Other income

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|--------------------------------|-------------------------|-------------------------|
| Interest income on | | |
| Bank deposits | | - |
| Others | 0.06 | 0.01 |
| Excess provisions written back | 0.56 | 0.01 |
| Profit on sale of fixed assets | - | 0.83 |
| Other non-operating income | 0.45 | 0.02 |
| | 1.07 | 0.87 |

24 Purchases of traded goods

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|---------------|-------------------------|-------------------------|
| Set top boxes | 31.36 | - |
| | 31.36 | - |

25 Carriage Sharing, Pay Channel and Related Cost

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|--------------------------|-------------------------|-------------------------|
| Pay Channel Subscription | 171.23 | 149.84 |
| | 171.23 | 149.84 |

26 Employee benefits expense

| | 31-Mar-18 ` millions | 31-Mar-17 ` millions |
|--|-------------------------|-------------------------|
| Salaries, allowances and bonus | 21.59 | 5.88 |
| Contributions to provident and other funds | 1.76 | 0.66 |
| Employee benefits expenses | 1.15 | 0.47 |
| Bonus | 1.42 | 0.41 |
| Staff welfare expenses | 0.36 | 0.18 |
| | 26.27 | 7.60 |

Consolidated Central Bombay Cable Network Limited

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

27 Finance Cost

| | 31-Mar-18 | 31-Mar-17 |
|--------------|-------------------|-------------------|
| | ` millions | ` millions |
| Interest | 0.91 | 0.68 |
| Bank charges | 0.00 | 0.04 |
| | 0.91 | 0.72 |

28 Depreciation and amortisation expenses

| | 31-Mar-18 | 31-Mar-17 |
|---------------------------------|-------------------|-------------------|
| | ` millions | ` millions |
| Depreciation of tangible assets | 66.16 | 56.08 |
| | 66.16 | 56.08 |

29 Other expenses

| | 31-Mar-18 | 31-Mar-17 |
|---|-------------------|-------------------|
| | ` millions | ` millions |
| Rent | 2.76 | 1.63 |
| Office Expenses | 0.49 | 0.30 |
| Rates and taxes | 0.99 | 0.08 |
| Communication expenses | 0.87 | 0.55 |
| Repairs and maintenance | | |
| - Network | 4.94 | 2.54 |
| - Building | 0.02 | 0.02 |
| - Others | 0.53 | 0.35 |
| Electricity and water charges | 3.43 | 2.16 |
| Loss on sale of Assets | 3.85 | - |
| Swachh Bharat Cess | 0.43 | 0.70 |
| Legal, professional and consultancy charges | 0.54 | 0.95 |
| Printing and stationery | 0.39 | 0.35 |
| R.O.C. Filing fee | 0.03 | 0.01 |
| Service charges | 0.07 | 0.04 |
| Travelling and conveyance expenses | 1.48 | 0.68 |
| Auditors' remuneration* | 0.11 | 0.11 |
| Insurance expenses | 0.26 | 0.13 |
| Provision for doubtful debts | - | - |
| Commission charges and incentives | 12.27 | 11.84 |
| Bad debts | 16.93 | - |
| Program production expenses | 1.59 | 0.77 |
| Other operational cost | 72.00 | 114.57 |
| Business and sales promotion | 0.22 | 0.25 |
| Donation | 0.01 | 0.01 |
| Security Service Charges | 0.07 | 0.07 |
| Miscellaneous Expenses | 0.34 | 0.00 |
| | 124.62 | 138.10 |

*Auditors' remuneration

| | | |
|-------------------------------------|-------------|-------------|
| as an auditor | 0.11 | 0.09 |
| Limited review fees | - | - |
| for other services (certifications) | - | 0.03 |
| for reimbursement of expenses | - | - |
| | 0.11 | 0.11 |

Consolidated Central Bombay Cable Network Limited

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

30 Earnings per share

| | March 31, 2017 | March 31, 2016 |
|--|-----------------------|-----------------------|
| | ` millions | ` millions |
| Loss attributable to equity shareholders | 5.98 | 1.51 |
| Number of weighted average equity shares | | |
| Basic | 50,000 | 50,000 |
| Diluted | 50,000 | 50,000 |
| Nominal value of per equity share (₹) | 10 | 10 |
| Loss per share after tax (₹) | | |
| Basic | 119.57 | 30.26 |
| Diluted | 119.57 | 30.26 |

NOTE –1: SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31ST MARCH, 2018

1.1 CORPORATE INFORMATION:

Central Bombay Cable Network Limited (hereinafter referred to as the 'Parent Company') is registered in New Delhi. Master Channel Community Network Private Limited (hereinafter referred to as the 'Subsidiary Company') is registered in Vijayawada. Both the companies together are hereinafter referred to as the 'Group'. The Group is engaged in the business of providing cable TV services to the end consumers.

1.2 BASIS OF PREPARATION:

- The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with relevant rules of the Companies (Accounts) Rules, 2014 read with companies (Indian Accounting Standard) Rules, 2015 and the provisions of the Act (to the extent notified).
- All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of business and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

1.3 USE OF ESTIMATES:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

1.4 RECOGNITION OF REVENUE:

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. 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. Subscription income is recognised on completion of services and when no significant uncertainty exists regarding the amount of consideration that will be derived.

1.5 RECOGNITION OF INCOME AND EXPENSE:

Items of income and expenditure are recognized on accrual basis.

1.6 PLANT, PROPERTY AND EQUIPMENT

Plant, properties and equipments are carried at the cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation / amortization on plant, properties and equipments is provided at rates computed on the basis of useful life of assets as specified in Schedule II of the Companies Act, 2013 except in case of intangible assets and leasehold improvements on which depreciation is provided at rate as mentioned below which in view of the management represents the useful life of assets. Assets costing less than Rs 5,000 each, are depreciated in full excluding residual value as per Schedule II, in year of purchase.

Asset category Rate of depreciation/ amortization

| | |
|------------------------|---|
| Intangible assets | Straight Line Method |
| Leasehold improvements | Over the lease term or useful life whichever is lower |

However, during the current year no depreciation has been provided as the Company does not have any tangible assets.

1.7 INVESTMENTS:

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

1.8 INVENTORIES:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

However, the company does not have any inventory during the current year.

1.9 POST-EMPLOYMENT, LONG TERM AND SHORT TERM EMPLOYEE BENEFITS

The company has calculated the benefits provided to employees as per IND AS 19, are as under
Defined Benefit Plans

- a.) Gratuity Plan
- b.) Leave Encashment

In accordance with 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% | 7.75% |
| Rate of Increase in compensation levels | 6.00% | 5.00% |
| Expected Rate of return on plan assets | - | - |
| Expected Average remaining working lives of employees (years) | 22.30 | 25.20 |

CHANGE IN OBLIGATION DURING THE YEAR ENDED 31ST MARCH, 2018:

| | | |
|--|-----------|-----------|
| Present Value of obligation as at 1st April, 2017 | 5,86,283 | 2,382,299 |
| Acquisition adjustment | - | - |
| Interest cost | 45,437 | 1,84,628 |
| Past service cost | - | - |
| Current service cost | 4,24,797 | 4,90,482 |
| Curtailment cost/(Credit) | - | - |
| Settlement cost/(Credit) | - | - |
| Benefits paid | - | - |
| Actuarial (gain)/loss on obligation | -1,04,388 | -2,08,484 |
| Present value of obligation as at the end of period (31st March, 2018) | 9,52,129 | 28,48,925 |
| Change in fair value plan Assets | | |

MOVEMENT IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET

| | | |
|--|-----------|-------------|
| Opening net liability(01.04.2017) | -5,86,283 | -2,38,2,299 |
| Expense as above | 3,65,846 | 4,66,626 |
| Benefits paid | - | - |
| Actual return on plan assets | - | - |
| Acquisition adjustment | - | - |
| Net assets/(Liability) recognised in Balance Sheet as provision (31.03.2018) | -9,52,129 | -2,84,89,25 |

EXPENSES RECOGNISED IN PROFIT AND LOSS ACCOUNT

| | | |
|---|----------|----------|
| Current service cost | 4,24,797 | 4,90,482 |
| Past service cost | - | - |
| Interest cost | 45,437 | 1,84,628 |
| Settlement cost / (credit) | - | - |
| Expenses recognized in the statement of profit & losses | 4,70,234 | 6,75,110 |

OTHER COMPREHENSIVE (INCOME) / EXPENSES (REMEASUREMENT)

| | | |
|-------------------------------------|-----------|-----------|
| Actuarial (gain)/loss - obligation | -1,04,388 | -2,08,484 |
| Actuarial (gain)/loss - plan assets | - | - |
| Total Actuarial (gain)/loss | -1,04,388 | -2,08,484 |

ACTUARIAL ASSUMPTION.

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

1.10 LEASES

Finance leases

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

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

1.11 INCOME TAXES:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

1.12 EVENTS OCCURRING AFTER BALANCE SHEET DATE:

Events occurring after balance sheet date which affect the financial position to a material extent are taken into cognizance, if any.

1.13 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 Group 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 Liabilities are generally not provided for in the accounts are shown separately under notes to the accounts if any.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

1.14 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:

| Period | As on: 31/03/2018 |
|---|--|
| <i>Defined Benefit Obligation (Base)</i> <i>discount rate :7.75%</i> | 28,48,925 @ Salary Increase Rate :5%, |
| <i>Liability with x% increase in Discount Rate</i> | 26,27,017; x=1.00% [Change (8)% |
| <i>Liability with x% decrease in Discount Rate</i> | 31,01,198; x=1.00% [Change 9% <i>Liability with</i> |
| <i>x% increase in Salary Growth Rate</i> <i>decrease in Salary</i> | 31,05,616; x=1.00% [Change 9% <i>Liability with x%</i> |
| <i>Growth Rate</i> | 26,19,436; x=1.00% [Change (8)% <i>Liability with</i> |
| <i>x% increase in Withdrawal Rate</i> | 28,77,547; x=1.00% [Change 1% <i>Liability with x% decrease in</i> |
| <i>Withdrawal Rate</i> | 28,14,784; x=1.00% [Change (1)% |

NOTE – 2: EXPLANATORY/ CLARIFICATORY NOTES:

- 2.1 No dividend has been proposed by the Directors of the Company due to the loss of the company.
- 2.2 Balances of sundry creditors and debtors are subject to confirmation from the respective parties.
- 2.3 In the opinion of the Board, current assets, loans & advances have a value in the ordinary course of business at least equal to that stated in Balance Sheet.
- 2.4 **Auditors Remuneration: 2017-18**

| <u>SL. NO.</u> | <u>PARTICULARS</u> | <u>F/Y 2017-18</u> | <u>F/Y 2016-17</u> |
|-----------------------|---------------------------|---------------------------|---------------------------|
| 1. | AUDIT FEES* | Rs. 105,000/- | Rs. 85,000/- |

**Including audit fees of subsidiary company*

2.5

Contingent Liabilities of not provided for an account

| | Amount (in Rs.) | |
|---------------------------------|------------------------|------------|
| VAT department | 20,026,708 | 14,572,765 |
| Director Remuneration | - | - |
| Earning in Foreign Currency | - | - |
| Remittances in Foreign Currency | - | - |
| Expenditure in Foreign Currency | 99,931,662 | 41,694,863 |
| CIF Value of Import | - | - |

2.6 **RELATED PARTY DISCLOSURES:-**

Names of related parties:

| | |
|---|-------------------|
| Siti Networks Limited | Holding Company |
| Indian Cable Net Company Limited | Fellow Subsidiary |
| Siti Maurya Cable Net Private Limited | Fellow Subsidiary |
| Indinet Service Private Limited | Fellow Subsidiary |
| Axom Communications & Cable Private Limited | Fellow Subsidiary |
| Siti Vision Digital Media Private Limited | Fellow Subsidiary |
| Siti Guntur Digital Network Private Limited | Fellow Subsidiary |
| Siti Siri Digital Network Private Limited | Fellow Subsidiary |

| | |
|--|--|
| Bargachh Digital Communication Network Private Limited | Fellow Subsidiary |
| Siti Godaari Digital Services Private Limited | Fellow Subsidiary |
| Siti Sagar Digital Cable Network Private Limited | Fellow Subsidiary |
| Siti Global Private Limited | Fellow Subsidiary |
| Siti Broadband Services Private Limited | Fellow Subsidiary |
| Siti Prime Uttaranchal Communication Private Limited | Fellow Subsidiary |
| Siti Saistar Digital Media Private Limited | Fellow Subsidiary |
| Variety Entertainment Private Limited | Fellow Subsidiary |
| Siti Cable Broadband South Limited | Fellow Subsidiary |
| Wire and Wireless Tisai Satellite Limited | Joint Venture |
| Siti Jind Digital Media Communications Private Limited | Fellow Subsidiary |
| Siti Jai Maa Durgee Communications Private Limited | Fellow Subsidiary |
| Siti Karnal Digital Media Network Private Limited | Fellow Subsidiary |
| Siti Krishna Digital Media Private Limited | Fellow Subsidiary |
| Siti Jony Digital Cable Network Private Limited | Fellow Subsidiary |
| Siti Faction Digital Private Limited | Fellow Subsidiary |
| Voice Snap Services Private Limited | Associate Company (w.e.f. 19.09.2016) |
| C&S Medianet Private Limited | Associate Company (w.e.f. 12.05.2016) |
| Siti Chhattisgarh Multimedia Private Limited | Associate Company |

Other Related Parties:

| | | |
|--------------------|---|----------|
| P. Kiranmayee | - | Director |
| Sanjay Arya | - | Director |
| Sai BabuPotluri | - | Director |
| Vijay Kalur | - | Director |
| Ankit Kumar Arya | - | Director |
| Sandeep Kumar Jain | - | Director |
| Dheeraj Gupta | - | Director |

2.1 Outstanding balances of related parties of the Company during the relevant Financial Year are as under:

- Balances of related parties

| Year ended | Year ended March 31, 2018 | | Year ended March 31, 2017 | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Amount owed by related parties | Amount owed to related parties | Amount owed by related parties | Amount owed to related parties |
| Borrowings & Expenses | | | | |
| Siti Networks Limited | - | 58,46,27,222 | - | 57,10,05,666 |
| Loans & Advances | | | | |
| Variety Entertainment Pvt Ltd | 6,50,00,000 | - | 6,50,00,000 | - |
| Borrowings | | | | |
| Siti Guntur Digital Network Pvt Ltd | - | 4,96,79,463 | - | 3,21,56,573 |
| Creditor for Expenses | | | | |
| Lotus Broadband Pvt Ltd | - | - | - | 28,250 |
| Creditor for Expenses | | | | |
| Divya Digital Network | - | 36,00,000 | - | 36,00,000 |
| Creditor for Expenses | | | | |
| Siti Siri Digital Networks Pvt. Ltd. | - | 1,87,76,139 | - | - |
| Commission | | | | |
| Mega Satelite Services | - | 4,55,554 | - | 7,27,076 |
| Remuneration & Commission/Incentive | | | | |
| P Sai Babu | - | 1,87,962 | - | 1,20,401 |
| Remuneration | | | | |
| P Kiranmayee | - | 15,000 | - | 15,000 |
| Commission/Incentive | | | | |
| P Jayant | - | 1,43,634 | - | 85,438 |

| Commission/Incentive & Rent | | | | |
|--|---|----------|---|----------|
| P Bharathi | - | 1,43,633 | - | 1,21,437 |
| Commission/Incentive & Rent | | | | |
| P Meghana | - | 1,61,633 | - | 1,36,437 |
| Commission/Incentive | | | | |
| D. K. Mohan | - | 8,18,565 | - | - |
| | | | | |

2.2 Standards issued but not yet effective

Ind AS 21:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

Ind AS 115:

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

The standard permits two possible methods of transition:

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

2.3 The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

| Particulars | 31-March-2018 | 31-March-2017 |
|----------------------------------|----------------------|----------------------|
| Profit/(Loss) after Tax | 59,78,722 | 15,12,880 |
| Number of Equity Shares | 50,000 | 50,000 |
| Nominal Value of Equity Shares | 10 | 10 |
| Basics Earnings per Share | 119.57 | 30.26 |

2.4 Other disclosures are made as under :

| | | | |
|------|-------------------------------------|---|-----|
| i. | Value of Import on CIF Basis | - | NIL |
| ii. | Expenses in Foreign Currency | - | NIL |
| iii. | Amount remitted in Foreign Currency | - | NIL |
| iv. | Earnings in Foreign Currency | - | NIL |

**For AAA M & CO.,
CHARTERED ACCOUNTANTS
FRN: 08113C**

**For & on Behalf of the Board of Directors
CENTRAL BOMBAY CABLE NETWORK LIMITED**

**SD/-
(CA RAHUL GUPTA, FCA)
PARTNER
M.No.419625**

**SD/-
MR. SANDEEP KUMAR JAIN
DIRECTOR
DIN No. 00011667**

**SD/-
MR. DHEERAJ GUPTA
DIRECTOR
DIN No. 08065461**

**DATE: 08/05/2018
PLACE: NOIDA**

