# INDEPENDENT AUDITORS' REPORT

**To the Members of Dish TV India Limited**

**Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of Dish TV India Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

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

**Auditor's Responsibility**

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

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

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 standalone financial statements are free from material misstatement.

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

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

**Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Emphasis of Matters**

9. We draw attention to Note 66 to the standalone financial statements regarding the Company's long term loans and advances which include loan

given to its subsidiary company, Dish TV Lanka Private Limited aggregating to ₹ 11,956.69 lacs as at 31 March 2018. Based on the future business plans and projections of the subsidiary company which have been developed using certain management assumptions and estimates, the management considers the aforesaid loan as fully recoverable. Accordingly, no provision has been recognised in the accompanying standalone financial statements. Our opinion is not modified in respect of this matter.

10. We draw attention to Note 62(d)(ii) to the standalone financial statements which describes that the Company's Direct-to-Home (DTH) license, after considering the last interim extension received vide letter dated 31 March 2017, expired on 31 December 2017. The Company has applied to the Ministry of Information and Broadcasting (MIB) for further interim extension until the regulatory framework governing the DTH Operators is finalised by MIB which will enable the Company to renew such expired DTH license. As at year end, the Company is awaiting response from MIB with respect to the aforesaid application. Our opinion is not modified in respect of this matter.

**Other Matter**

11. The Company had prepared separate standalone financial statements for the year ended 31 March 2017 and 31 March 2016 in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), on which we issued auditor's report dated 24 May 2017 and 23 May 2016 respectively. These standalone financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

12. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

13. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:

    a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c. the standalone financial statements dealt with by this report are in agreement with the books of account;

    d. in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e. the matter described in paragraph 10 under Emphasis of Matters above, in our opinion, may have an adverse effect on the functioning of the Company;

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

    g. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per Annexure II expressed unqualified opinion;

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

        i. the Company, as detailed in Note 57 and Note 62 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

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. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Sumit Mahajan**
Partner
Membership No.: 504822

Place: Noida
Date: 29 May 2018

**Annexure to the Independent Auditor's Report of even date to the members of Dish TV India Limited, on the standalone financial statements for the year ended 31 March 2018**

# ANNEXURE I

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.

(b) The fixed assets, other than consumer premise equipment (CPE) installed at the customers' premises, have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets, other than CPEs installed at the customers' premises, is reasonable having regard to the size of the Company and nature of its assets. The existence of CPEs installed at the customers' premises is considered on the basis of the 'active user status'. We are unable to comment on the discrepancies, if any, that could have arisen on physical verification of CPEs lying with customers in 'inactive status'.

(c) The title deed of following immovable property which was transferred as a result of business combination, as stated in note 41 to the standalone financial statements, is still registered in the name of the erstwhile transferor company.

| Nature of property | Total number of Cases | Whether leasehold /freehold | Gross block / value as on 31 March 2018 (in ₹ lacs) | Net block / carrying value as on 31 March 2018 (in ₹ lacs) | Remarks |
|---|---|---|---|---|---|
| Land | One | Leasehold | 2,477 | 2,460 | Refer footnote A of note 41(B) to standalone financial statements |

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(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 Sections 185 and 186 of the Act in respect of loans, investments, 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) 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 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) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. 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 became payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

**Statement of Disputed Dues**

| Name of the statute | Nature of dues | Amount (₹ in lacs) | Amount paid under Protest (₹ in lacs) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax and interest | 263 | - | Assessment Year 2004-05 | Commissioner of Income tax (Appeals) |
| | | 225 | 225 | Assessment Year 2009-10 | High Court of Allahabad |
| | | 320 | 320 | Assessment Year 2010-11 | Income Tax-Appellate Tribunal, Delhi |
| | | 93 | 59 | Assessment Year 2011-12 | Commissioner of Income tax , (Appeals) |
| | | 16 | - | Assessment Year 2011-12 | Commissioner of Income tax , (Appeals) |
| | | 57 | 57 | Assessment Year 2012-13 | Income Tax-Appellate Tribunal, Delhi |
| | | 744 | 150 | Assessment Year 2012-13 | Commissioner of Income tax , (Appeals) |
| | | 65 | 65 | Assessment Year 2013-14 | Income Tax-Appellate Tribunal, Delhi |
| Finance Act, 1994 (Service Tax) | Service Tax | 167* | - | 2006-07 to 2010-11 | Custom Excise and Service Tax Appellate Tribunal |
| | | 2,921* | - | 2007-08 to 2011-12 | Custom Excise and Service Tax Appellate Tribunal |
| | | 631 | 47 | 2007-08 to 2010-11 | Custom Excise and Service Tax Appellate Tribunal |
| | | 6,945* | 521 | Apr-09 to Dec-13 | Custom Excise and Service Tax Appellate Tribunal |
| | | 2,662* | 200 | Jan-14 to March-15 | Custom Excise and Service Tax Appellate Tribunal |
| | | 1,410* | 28 | FY 2009-10 to 2013-14 | Custom Excise and Service Tax Appellate Tribunal |
| | | 2,570* | 193 | Apr-14 to Dec-15 | Custom Excise and Service Tax Appellate Tribunal |
| | | 1,475* | 500 | 2009-10 to 2013-14 | Custom Excise and Service Tax Appellate Tribunal |
| Delhi Value Added Tax Act, 2005 | Value added tax (including penalty and interest) | 263 | 39 | 2010-11 | Delhi Value Added Tax Tribunal |
| | | 53 | 10 | 2011-12 | Delhi Value Added Tax Tribunal |
| | | 2,163 | 112 | 2014-15 | Special. Commissioner – II |
| | | 279 | - | 2012-13 | Special. Commissioner – II |
| | | 5 | - | 2014-15 | Objection Hearing Authority |
| | | 5,685 | - | 2011-12 | Special. Commissioner – II |
| | | 1,279 | - | 2013-14 | Special. Commissioner – II |
| | | 25,998 | - | 2009-10 | High Court of Delhi |
| | | 954 | - | 2010-11 | Special. Commissioner – II |

| Name of the statute | Nature of dues | Amount (₹ in lacs) | Amount paid under Protest (₹ in lacs) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| Bihar Value Added Tax Act, 2005 | Value added tax (including penalty and interest) | 168 | 73 | 2014-15 | Office of the Joint Commissioner of Commercial Taxes (Appeal) Patna |
| | | 119 | 47 | 2013-14 | Joint Commissioner of Commercial Taxes Appeal, Central Division, Patna |
| Madhya Pradesh Value Added Tax Act, 2002 | Value Added Tax | 5 | 1 | 2013-14 | Deputy Commissioner of Appeal, Div -I , Bhopal |
| Kerala VAT Act, 2003 | Value Added Tax | 46 | 6 | 2012-13 | Deputy Commissioner (Appeals) Commercial Tax, Ernakulam |
| | | 57 | 8 | 2013-14 | Deputy Commissioner (Appeals) Commercial Tax, Ernakulam |
| | | 50 | 8 | 2014-15 | Deputy Commissioner (Appeals) Commercial Tax, Ernakulam |
| | | 11 | 2 | 2015-16 | Deputy Commissioner (Appeals) Commercial Tax, Ernakulam |
| Goa VAT Act, 2005 | Value Added Tax | 5 | 1 | 2013-14 | Appellate Authority, Goa Commercial Tax |
| | | 9 | - | 2014-15 | Assessing Authority of Commercial Taxes, Govt. of Goa, Vasco-da-Gama Ward |
| Telangana VAT Act, 2005 | Value Added Tax | 186 | 46 | FY2012-13 to FY2015-16 | High court of Hyderabad |
| Maharashtra Value Added Tax Act, 2002 | Value Added Tax | 1,021 | - | 2013-14 | Assistant Commissioner of Sales Tax, Mumbai |
| West Bengal Value Added Tax Act, 2003 | Value Added Tax | 27 | 3 | 2014-15 | Special Commissioner (Appeal) |
| The Central Sales Tax Act, 1956 (West Bengal) | Central Sales Tax | 29 | 3 | 2012-13 | Special Commissioner (Appeal) |
| | | 3 | # | 2014-15 | Special Commissioner (Appeal) |
| Rajasthan Tax of Entry on Good in to Local areas, 1999 | Entry Tax | 173 | 173 | 2012-13 | Supreme Court of India |
| The Central Sales Tax Act, 1956 (Goa) | Central Sales Tax | 2 | - | 2014-15 | Assessing Authority of Commercial Taxes, Govt. of Goa, Vasco-da-Gama Ward |

| Name of the statute | Nature of dues | Amount (₹ in lacs) | Amount paid under Protest (₹ in lacs) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| The Jammu & Kashmir entry tax on goods Act, 2000 | Central Sales Tax | 43 | 43 | 2014-15 | State of Jammu & Kashmir |
| | | 6 | 6 | 2015-16 | State of Jammu & Kashmir |

* excludes interest and penalty, which will be ascertained on conclusion of matter

# ₹ 28,073 rounded off to ₹ Lacs

(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 does not have any outstanding debentures during the year.

(ix) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, however, on and from the "appointed date", the Company has assumed term loans, taken by the transferor company in earlier period(s), pursuant to business combination as stated in Note 41 to the financial statements. Accordingly, in our opinion, the provisions of clause 3(ix) of the Order are not applicable.

(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) Managerial remuneration has been provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(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 Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement 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 **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Sumit Mahajan**
Partner
Membership No.: 504822

Place: Noida
Date: 29 May 2018

**Annexure to the Independent Auditor's Report of even date to the members of Dish TV India Limited, on the standalone financial statements for the year ended 31 March 2017**

# ANNEXURE II

**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 standalone financial statements of Dish TV India Limited ("the Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ("IFCoFR") of the company of as at that date.

**Management's Responsibility for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 (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 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 Act.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR 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 includes 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.

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 IFCoFR.

**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 include 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 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 Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls were operating effectively as at 31 March 2018, based on Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Sumit Mahajan**
Partner
Membership No.: 504822

Place: Noida
Date: 29 May 2018

# STANDALONE BALANCE SHEET AS AT 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| | Notes | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non current assets** | | | | |
| Property, plant and equipments | 5 | **65,174** | 27,645 | 22,824 |
| Capital work-in-progress | 6 | **5,965** | 2,210 | 3,303 |
| Goodwill | 7 | **391,138** | - | - |
| Other intangible assets | 8 | **210,004** | 1,128 | 804 |
| Financial assets | | | | |
| Investments | 9 | **32,298** | 30,321 | 29,738 |
| Loans | 10 | **13,488** | 9,510 | 7,375 |
| Other financial assets | 11 | **275** | 19 | 219 |
| Deferred tax assets (net) | 12 | **-** | 4,377 | 4,864 |
| Current tax assets (net) | 13 | **7,347** | 3,835 | 4,146 |
| Other non current assets | 14 | **12,487** | 5,328 | 3,320 |
| | | **738,176** | 84,373 | 76,593 |
| **Current assets** | | | | |
| Financial assets | | | | |
| Trade receivables | 15 | **12,776** | 8,141 | 6,415 |
| Cash and cash equivalents | 16 | **26,510** | 11,969 | 1,974 |
| Other bank balances | 17 | **12,742** | 10,955 | 22,534 |
| Loans | 18 | **164** | 1,110 | 1,399 |
| Other financial assets | 19 | **330,429** | 78,031 | 62,696 |
| Other current assets | 20 | **10,081** | 6,684 | 5,770 |
| | | **392,702** | 116,890 | 100,788 |
| **Total assets** | | **1,130,878** | 201,263 | 177,381 |
| **EQUITY AND LIABILITIES** | | | | |
| **EQUITY** | | | | |
| Equity share capital | 21 | **18,413** | 10,659 | 10,659 |
| Other equity | 22 | **654,792** | 17,096 | 124 |
| | | **673,205** | 27,755 | 10,783 |
| **LIABILITIES** | | | | |
| **Non current liabilities** | | | | |
| Financial liabilities | | | | |
| Borrowings | 23 | **869** | - | - |
| Other financial liabilities | 24 | **780** | 315 | 1,239 |
| Provisions | 25 | **1,392** | 1,088 | 992 |
| Deferred tax liabilities (net) | 12 | **43,911** | - | - |
| Other non current liabilities | 26 | **1,404** | 1,295 | 1,054 |
| | | **48,356** | 2,698 | 3,285 |
| **Current liabilities** | | | | |
| Financial liabilities | | | | |
| Borrowings | 27 | **12,403** | - | - |
| Trade payables | 28 | **54,409** | 11,851 | 20,521 |
| Other financial liabilities | 29 | **13,206** | 4,577 | 5,192 |
| Other current liabilities | 30 | **50,502** | 14,492 | 18,291 |
| Provisions | 31 | **278,797** | 139,890 | 119,309 |
| | | **409,317** | 170,810 | 163,313 |
| **Total equity & liabilities** | | **1,130,878** | 201,263 | 177,381 |
| **Summary of significant accounting policies** | 4 | | | |

The accompanying notes form an integral part of the financial statements.
This is the Standalone Balance Sheet referred to in our report of even date

**For Walker Chandiok & Co. LLP**
*Chartered Accountants*

**Sumit Mahajan**
*Partner*

Place: Noida
Dated: 29 May, 2018

For and on behalf of the Board of Directors of
**Dish TV India Limited**

**Jawahar Lal Goel**
*Chairman & Managing Director*
DIN: 00076462

**B. D. Narang**
*Director*
DIN: 00826573

**Rajeev K. Dalmia**
*Chief Financial Officer*

**Ranjit Singh**
*Company Secretary*
Membership No: A15442

Place: Noida
Dated: 29 May, 2018

# STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| | Notes | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 32 | **286,260** | 194,539 |
| Other income | 33 | **6,132** | 6,948 |
| **Total Income** | | **292,392** | 201,487 |
| **Expenses** | | | |
| Purchases of Stock in trade | | **-** | 14 |
| Operating expenses | 34 | **228,032** | 131,854 |
| Employee benefits expense | 35 | **8,775** | 5,761 |
| Finance costs | 36 | **14,890** | 10,014 |
| Depreciation and amortization expense | 37 | **20,640** | 7,766 |
| Other expenses | 38 | **34,248** | 20,285 |
| **Total expenses** | | **306,585** | 175,694 |
| **(Loss) / Profit from continuing operations** | | **(14,193)** | 25,793 |
| **Tax expense:** | | | |
| Current Tax | | **(196)** | 8,529 |
| Deferred tax | | **(8,785)** | 475 |
| **(Loss) / Profit after tax from continuing operations (A)** | | **(5,212)** | 16,789 |
| **Profit before tax from discontinued operations** | 43 | **18,986** | - |
| **Tax expense on discontinued operations** | | | |
| Deferred tax | | **10,440** | - |
| **Profit after tax from discontinued operations for the year (B)** | | **8,546** | - |
| **Profit for the year (A+B)** | | **3,334** | 16,789 |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements of gains / (loss) on defined benefit plan | | **124** | 35 |
| Income tax relating to items that will not be reclaasified to profit or loss | | **(43)** | (12) |
| **Other comprehensive income for the year** | | **81** | 23 |
| **Total comprehensive income for the year** | | **3,415** | 16,812 |
| **Earning per share (EPS) for continuing operations (face value ₹ 1)** | | | |
| Basic | 59 | **(0.48)** | 1.57 |
| Diluted | 59 | **(0.48)** | 1.57 |
| **Earning per share (EPS) for discontinued operations (face value ₹ 1)** | | | |
| Basic | 59 | **0.79** | - |
| Diluted | 59 | **0.79** | - |
| **Earning per share (EPS) for continuing and discontinued operations (face value ₹ 1)** | | | |
| Basic | 59 | **0.31** | 1.57 |
| Diluted | 59 | **0.31** | 1.57 |
| **Summary of significant accounting policies** | 4 | | |

The accompanying notes form an integral part of the financial statements.
This is the Standalone statement of Profit and Loss referred to in our report of even date

**For Walker Chandiok & Co. LLP**
*Chartered Accountants*

**Sumit Mahajan**
*Partner*

Place: Noida
Dated: 29 May, 2018

For and on behalf of the Board of Directors of
**Dish TV India Limited**

**Jawahar Lal Goel**
*Chairman & Managing Director*
DIN: 00076462

**B. D. Narang**
*Director*
DIN: 00826573

**Rajeev K. Dalmia**
*Chief Financial Officer*

**Ranjit Singh**
*Company Secretary*
Membership No: A15442

Place: Noida
Dated: 29 May, 2018

# STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**A. Equity share capital**

| | Amount |
|---|---|
| **Balance as at 1 April 2016** | 10,659 |
| Changes in equity share capital during the year | - |
| **Balance as at 31 March 2017** | **10,659** |
| Changes in equity share capital during the year | 7,754 |
| **Balance as at 31 March 2018** | **18,413** |

**B. Other equity**

| Particulars | Reserves & Surplus | | | | Other Components of Equity (OCE) | Total other equity |
|---|---|---|---|---|---|---|
| | Security premium reserve | Retained earnings | General Reserves | Share option outstanding account | Shares issued but allotment kept in abeyance (refer note 21h) | |
| **Balance as at 1 April 2016** | 154,340 | (156,140) | 1,849 | 75 | - | 124 |
| Profit for the year | - | 16,789 | - | - | - | 16,789 |
| Other comprehensive income for the year | - | 23 | - | - | - | 23 |
| Issue of equity shares under employees stock option plan | 59 | - | - | - | - | 59 |
| Share Based Payment to employees | - | - | - | 101 | - | 101 |
| Transfer to security premium on exercise of options | 19 | - | - | (19) | - | - |
| **Balance as at 31 March 2017** | **154,418** | **(139,328)** | **1,849** | **157** | **-** | **17,096** |
| Profit for the year | - | 3,334 | - | - | - | 3,334 |
| Other comprehensive income for the year | - | 81 | - | - | - | 81 |
| Issue of equity shares under employees stock option plan | 27 | - | - | - | - | 27 |
| Issue of equity shares under merger | 633,475 | - | - | - | 825 | 634,300 |
| Share Based Payment to employees | - | - | - | (46) | - | (46) |
| Transfer to security premium on exercise of options | 18 | - | - | (18) | - | - |
| Less: Transferred to retained earning from security premium (capital reduction) (refer note 40) | (154,340) | 154,340 | - | - | - | - |
| **Balance as at 31 March 2018** | **633,598** | **18,427** | **1,849** | **93** | **825** | **654,792** |

This is the Standalone statement of Changes in Equity referred to in our report of even date.

**For Walker Chandiok & Co. LLP**
*Chartered Accountants*

**Sumit Mahajan**
*Partner*

Place: Noida
Dated: 29 May, 2018

For and on behalf of the Board of Directors of
**Dish TV India Limited**

**Jawahar Lal Goel**
*Chairman & Managing Director*
DIN: 00076462

**B. D. Narang**
*Director*
DIN: 00826573

**Rajeev K. Dalmia**
*Chief Financial Officer*

**Ranjit Singh**
*Company Secretary*
Membership No: A15442

Place: Noida
Dated: 29 May, 2018

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| **Cash flows from operating activities** | | |
| **Net profit/ (loss) before tax** | | |
| - Continuing operation | **(14,193)** | 25,793 |
| - Discontinued operation | **18,986** | - |
| | **4,793** | 25,793 |
| **Adjustments for :** | | |
| Depreciation and amortization expense | **42,833** | 7,766 |
| Loss on sale/discard of fixed assets and capital work-in-progress | **58** | 53 |
| Gain on redemption of units of mutual funds | **-** | (52) |
| Share based payment to employees | **(62)** | 97 |
| Income from financial guarantee contract | **(1,802)** | (2,117) |
| Allowance for expected credit loss | **4,149** | 1,137 |
| Interest income on financial assets measured at amortised cost | **(60)** | (57) |
| Bad debts and balances written off | **80** | 614 |
| Liabilities written back | **(41)** | (253) |
| Foreign exchange fluctuation (net) | **81** | 164 |
| Interest expense | **26,870** | 9,528 |
| Interest income | **(4,904)** | (3,912) |
| **Operating profit before working capital changes** | **71,995** | 38,761 |
| **Changes in working capital** | | |
| Decrease in inventories | **286** | - |
| (Increase) in trade receivables | **(3,799)** | (2,887) |
| (Increase) in other financial assets | **(51,682)** | (15,257) |
| (Increase) in other assets | **(2,491)** | (3,193) |
| Increase in trade payables | **11,303** | (8,670) |
| Increase in provisions | **39,296** | 11,193 |
| (Decrease) in other liabilities | **(12,414)** | (3,416) |
| **Cash generated from operations** | **52,494** | 16,531 |
| Income taxes paid (net of refund) | **(2,214)** | (8,218) |
| **Net cash generated from operating activities (A)** | **50,280** | 8,313 |

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| **Cash flows from investing activities** | | |
| Purchase of property plant & equipment (including adjustment for creditor for fixed assets, work-in-progress and capital advances) | **(24,707)** | (11,670) |
| Proceeds from sale of property plant & equipment | **5** | 11 |
| Fund acquired as part of merger | **4,843** | - |
| Fund transferred as part of slump sale | **(181)** | - |
| Purchase of investments | **-** | (15,200) |
| Proceeds from sale of investments | **-** | 15,252 |
| Loans given | **(3,629)** | (1,992) |
| Movements in fixed deposits | **25,964** | 11,780 |
| Interest received | **3,060** | 3,484 |
| **Net cash generated in investing activities (B)** | **5,355** | 1,665 |
| **Cash flows from financing activities** | | |
| Interest paid | **(15,183)** | (44) |
| Proceeds from issue of capital / call money received | **28** | 61 |
| Repayments of long term borrowings | **(31,356)** | - |
| Movements from short term borrowings | **5,417** | - |
| **Net cash used in financing activities (C)** | **(41,094)** | 17 |
| **Net (decrease) / increase in cash and cash equivalents (A+B+C)** | **14,541** | 9,995 |
| **Cash and cash equivalents at the beginning of the year** | **11,969** | 1,974 |
| **Cash and cash equivalents at the end of the year** | **26,510** | 11,969 |
| Cash and cash equivalents includes: | | |
| Cash on hand | **6** | 1 |
| Balances with scheduled banks : | | |
| - in current accounts | **26,365** | 11,802 |
| Cheques, drafts on hand | **139** | 166 |
| **Cash and cash equivalents** | **26,510** | 11,969 |
| **Non-Cash financing and investing activities** | | |
| Share issued on account of merger (refer note 41) | **642,053** | - |

Figures in brackets indicate cash outflow. The above cash flow statement is net off non-cash items as part of merger and slump sale

This is the cash flow statement referred to in our report of even date

**For Walker Chandiok & Co. LLP**
*Chartered Accountants*

**Sumit Mahajan**
*Partner*

Place: Noida
Dated: 29 May, 2018

For and on behalf of the Board of Directors of
**Dish TV India Limited**

**Jawahar Lal Goel**
*Chairman & Managing Director*
DIN: 00076462

**B. D. Narang**
*Director*
DIN: 00826573

**Rajeev K. Dalmia**
*Chief Financial Officer*

**Ranjit Singh**
*Company Secretary*
Membership No: A15442

Place: Noida
Dated: 29 May, 2018

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**1. Background**

Dish TV India Limited ('Dish TV' or 'the Company') was incorporated on 10 August 1988. The Company is engaged in the business of providing Direct to Home ('DTH') television and Teleport services. Dish TV is a public company incorporated and domiciled in India. Its registered office is at 18th floor, A Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai 400013, Maharashtra, India.

**2. General information and statement of compliance with Indian Accounting Standards (Ind AS)**

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other provisions of the Act . The Company has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2017, the Company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first financial statements which the Company has prepared in accordance with Ind AS (see note 63 for explanation for transition to Ind AS). For the purpose of comparatives, financial statements for the year ended 31 March 2017 and opening balance sheet as at 1 April 2016 are also prepared as per Ind AS.

The standalone financial statement for the year ended 31 March 2018 were authorised and approved for issue by Board of Directors on May 29, 2018.

**3. Recent accounting pronouncement**

Standard issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from Contract with Customers. The amendments are in line with recent amenments made by International Accounting Standard Board (IASB). This amedment is applicable to the Company from 1 April 2018. The Company will be adopting the amendments from their effective date.

Ind AS 115, Revenue from Contracts with Customers:

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainity of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognise revenue that demonstrates the transfer of promised goods and services to the customer at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard can be applied either retrospectively to each prior period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of standard.

Based on the preliminary assessment performed by the Company, the impact of application of the Standard is not expected to be material.

**4. Significant accounting policies**

**a) Overall considerations and first time adoption of Ind ASs**

These standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

These accounting policies have been used throughout all periods presented in these standalone financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS as summarised in note no 63.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**b) Basis of preparation of financial statements**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Further to the condition mentioned under note 57 and 62, management believes that it is appropriate to prepare these financial statements on a going concern basis considering available resources, current level of operations of the Company, and those projected for foreseeable future.

**c) Current versus non-current classification**

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

**d) Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, the equity interests issued and fair value of contingent consideration issued. Acquisition-related costs are expensed as and when incurred.

Assets acquired and liabilities assumed are measured at their acquisition-date fair values.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to Other Comrehensive Income (OCI).

If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

**e) Property, Plant and Equipment and Capital Work in Progress**

**Property, Plant and Equipment**

***Recognition and initial measurement***

Property, plant and equipment are recorded at the cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use upto the date when the assets are ready for use. Any trade discount, recoverable taxes and rebates are deducted in arriving at the purchase price. All other repairs and maintenance are recognised in statement of profit and loss as incurred.

Consumer premises equipment (CPE) are treated as part of capital work in progress till the time of activation thereof, post which the same gets depreciated. Capital work in progress is valued at cost.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

***Subsequent measurement (Depreciation and useful lives)***

Property, plant and equipment are subsequently measured at cost less depreciation and impairment loss. Depreciation on property, plant and equipment is provided on straight line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II, of the Companies Act, 2013, as under:

| Asset category | Useful life (in years) |
|---|---|
| Plant and machinery | 7.5 |
| Office equipment except mobile | 5 |
| Mobiles | 2.5 |
| Furniture and fixtures | 10 |
| Vehicles | 8 |
| ***Computers*** | |
| Laptops, Desktops and other devices | 3 |
| Servers and networks | 6 |

In case of following category, life of the assets have been assessed as under based on technical advice taking into account the nature of assets, estimated usage of the assets, the operating conditions of assets, past history of replacement, anticipated technological changes etc.

i) Consumer premises equipment are depreciated over their useful life of five years, as estimated by the management.

ii) Aircraft is depreciated over the estimated useful life of ten years.

***De-recognition***

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

***Transition to Ind AS***

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2016 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of property, plant and equipment

**f) Goodwill**

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

**g) Other Intangible assets**

***Recognition and initial measurement***

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. These assets are valued at cost which comprises the purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Fee paid for acquiring license to operate DTH services, is capitalised as intangible asset.

Customer & Distributor relationships are recorded at the fair market value assessed by independent valuer based on projected economic income attributable to the company taking into account various factors in the business combination.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Brand is recorded at the cost of acquisition. Cost of acquisition has been determined as the fair market value assessed by independent valuer based on projected economic income attributable to the company, taking in account various factors in the business combination.

Cost of computer software includes license fees, cost of implementation and directly attributable system integration expenses. These costs are capitalised as intangible assets in the year in which related software is implemented.

***Subsequent measurement (amortisation)***

i) Fees paid for acquiring licenses to operate DTH services is amortised over the period of license and other license fees are amortised over the management estimate of useful life of five years.

ii) The economic life of Customer & Distributor relationship assets are usually determined by estimating future loyalty of customers. Management has assessed that the economic useful life of the Customer & Distributor relationship to be of ten years.

iii) The brands have been acquired for a perpetual period. Based on various factors the company has considered brand to be perpectual in nature. Accordingly, these are tested for impairment.

iv) Software are amortised over an estimated life ranging from one year to five years, as the case may be.

***Transition to Ind AS***

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at 1 April 2016 measured as per the provisions of Previous GAAP and use that carrying value as the deemed cost of intangible assets.

**h) Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, 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 and the reduction is treated as an impairment loss and is recognised 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. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

**i) 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 is required to consider –

i) All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables**

The Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised from the date of initial recognition of receivables.

**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.

**j) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received/receivable net of rebates and applicable taxes. The Company applies the revenue recognition criteria to each nature of the sales and services transaction as set out below.

i) Revenue from rendering of services

- Revenue from subscription services is recognised prorata over the subscription pack period during the period when the services are rendered. Revenue is recognised net of taxes collected from the customer, collection charges and any discount given. Consideration received in advance for subscription services is initially deferred and included in other liabilities.
- Lease rental is recognised as revenue as per the terms of the contract over the period of lease contract on a straight line basis.
- Activation revenue is recognised on the date of activation and net of any discount given.
- Revenue from other services (viz Bandwidth charges, teleport services, field repairs of CPE, advertisement income) are recognized on rendering of the services.

ii) Revenue from sale of goods

- Revenue from sale of stock-in-trade is recognised when the products are dispatched against orders to the customers in accordance with the contract terms and the Company has transferred to the buyer the significant risks and rewards.
- Sales are stated net of rebates, trade discounts, sales returns and taxes on sales.

iii) Interest income

- Income from deployment of surplus funds is recognised on accrual basis using the effective interest rate (EIR) method.

**k) Foreign currency translation**

***Functional and presentation currency***

The financial statements are presented in Indian Rupees (₹) which is also the functional and presentation currency of the Company.

**Transactions and balances**

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Non-monetary items denominated in a foreign currency are converted in functional currency at the rate prevailing on the date of transactions and the same are carried at historical cost.

Foreign currency monetary items are converted to functional currency using the closing rate.

Exchange differences arising on such conversion and settlement at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**l) Borrowing Costs**

Borrowing costs include interest and other costs that the Company incurs in connection with the borrowing of funds.

In case of significant long-term loans, other costs incurred in connection with the borrowing of funds are amortised over the period of respective loan.

**m) Post-employment, long term and short term employee benefits**

i) Post-employment benefit

Defined contribution plan

The Company deposits the contributions for provident fund and employees' state insurance to the appropriate government authorities and these contributions are recognised in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out at the end of the year by an independent actuary, using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government Securities for relevant maturity. Actuarial gains and losses are recognised immediately in the Statement of other Comprehensive Income. The Company has done contrubution to the Gratuity plan with Life Insurance Corporation of India partially.

ii) Other long term employee benefits

Benefits under the Company's compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

iii) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

**n) Discontinued operations**

A discontinued operation is a component of the entity that has been disposed of and that represent a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued opeartions are presented seperately in the statement of profit and loss.

**o) Employee stock option scheme**

The fair value of options granted under Employee Stock Option Plan of the Company is recognised as an employee benefits expense with a corresponding increase in other equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to other equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

**p) Leases**

*Company as a lessee*

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased items are classified as 'Finance Leases'. Assets acquired on 'Finance Lease' which transfer risk and rewards of the ownership to the Company are capitalised as the assets by the company.

*Company as a lessor*

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognised on straight line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

**q) Earnings/(loss) per share**

Basic earning/loss per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**r) Taxation**

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax except those recognised in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss 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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

Unused tax credit such as (Minimum alternate tax ('MAT') credit entitlement) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which such credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as unused tax credit. The Company reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**s) Provisions, contingent liabilities, commitments and contingent assets**

The Company recognises a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are discounted to their present value (where time value of money is material) and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events, not wholly within the control of the Company. Contingent liabilities are also disclosed for the present obligations that have arisen from past events in respect of which it is not probable that there will be an outflow of resources or a reliable estimate of the amount of obligation cannot be made.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

**t) Financial instruments**

***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, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

**Financial assets**

**Subsequent measurement**

***Financial asset at amortised cost –*** the financial instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**Investments in equity instruments of subsidiaries, joint ventures and associates**

Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

Investments in other equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

**Investments in mutual funds**

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

(All amounts in ₹ lacs, unless otherwise stated)

**Derivative instruments –** derivatives such as options and forwards are carried at fair value through profit and loss with fair gains/losses recognised in profit and loss.

***De-recognition of financial assets***

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Financial liabilities**

***Subsequent measurement***

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

***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.

***Offsetting of financial instruments***

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 realise the assets and settle the liabilities simultaneously.

**u) Cash and cash equivalents**

Cash and cash equivalents comprises cash at bank and in hand, cheques in hand and short term investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

**v) Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

***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 recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

**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.

**Classification of leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset. The Company has also factored in overall time period of rent agreements to arrive at lease period to recognise rental income on straight line basis.

**Contingent liabilities:** At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

***Significant estimates***

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

**Impairment of financial assets:** At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables.

**Impairment of goodwill:** At each balance sheet date, goodwill is tested for impairment. The recoverable amount of cash generating unit (CGU) is determined based on the higher of value-in-use and fair value less cost to sell. Key assumptions on which the management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. The cash flow projections take into account past experience and represent the management's best estimate about future developments. Cash flow projections based on financial budgets are approved by management.

**Defined benefit obligation (DBO):** Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements:** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

**Useful lives of depreciable/amortisable assets:** Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

## 5. Property, plant and equipments

| Particulars | Building | Plant and equipments | Consumer premises equipment | Computers | Office equipment | Furniture and fixtures | Vehicles | Leasehold improve-ments | Electrical Installat-ions | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying value** | | | | | | | | | | |
| As at 1 April 2016 | - | 15,571 | 34,425 | 1,228 | 585 | 221 | 3,653 | 45 | - | 55,728 |
| Additions | - | 1,396 | 10,097 | 619 | 43 | 12 | 35 | - | - | 12,202 |
| Disposal/ adjustments | - | 11 | - | 4 | 1 | - | - | - | - | 16 |
| **As at 31 March 2017** | **-** | **16,956** | **44,522** | **1,843** | **627** | **233** | **3,688** | **45** | **-** | **67,914** |
| Addition due to business combination (refer note 41) | 2,609 | 18,059 | 145,680 | 808 | 84 | 315 | 4 | - | 524 | 168,083 |
| Additions | - | 111 | 29,918 | 420 | 49 | 13 | 14 | - | 1 | 30,526 |
| Disposal on account of business transfer agreement$ (refer note 42) | - | 0 | 146,704 | 65 | 0 | 12 | - | - | 1 | 146,782 |
| Disposal/adjustments | - | - | - | 2 | 1 | - | 8 | - | - | 11 |
| **As at 31 March 2018** | **2,609** | **35,126** | **73,416** | **3,004** | **759** | **549** | **3,698** | **45** | **524** | **119,730** |
| **Accumulated depreciation** | | | | | | | | | | |
| As at 1 April 2016 | - | 12,609 | 17,380 | 1,105 | 330 | 131 | 1,304 | 45 | - | 32,904 |
| Charge for the year | - | 1,150 | 5,573 | 168 | 91 | 20 | 366 | - | - | 7,368 |
| Disposal/adjustments$ | - | 1 | - | 2 | 0 | - | - | - | - | 3 |
| **As at 31 March 2017** | **-** | **13,758** | **22,953** | **1,271** | **421** | **151** | **1,670** | **45** | **-** | **40,269** |
| Charge for the year | 174 | 2,805 | 31,589 | 376 | 110 | 70 | 370 | - | 214 | 35,708 |
| Disposal on account of business transfer agreement$ (refer note 42) | - | - | 21,375 | 42 | 0 | 0 | - | - | 0 | 21,417 |
| Disposal/adjustments$ | - | - | - | 1 | 0 | - | 3 | - | - | 4 |
| **As at 31 March 2018** | **174** | **16,563** | **33,167** | **1,604** | **531** | **221** | **2,037** | **45** | **214** | **54,556** |
| Net block as at 1 April 2016* | - | 2,962 | 17,045 | 123 | 255 | 90 | 2,349 | - | - | 22,824 |
| **Net block as at 31 March 2017** | **-** | **3,198** | **21,569** | **572** | **206** | **82** | **2,018** | **-** | **-** | **27,645** |
| **Net block as at 31 March 2018** | **2,435** | **18,563** | **40,249** | **1,400** | **228** | **328** | **1,661** | **-** | **310** | **65,174** |

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the pervious GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

**$ please see detail as below:**

Gross carrying value on disposal on account of business transfer agreement for the year ended 31 March 2018, ₹ 17,400 for plant and equipments and ₹ 40,564 for office equipment.

Accumulated depreciation on disposal/adjustment for the year ended 31 March 2017, ₹ 13,782 for office equipment.

Accumulated depreciation on disposal on account of business transfer agreement for the year ended 31 March 2018, ₹ 6,360 for office equipment and ₹ 19,088 for furniture and fixtures.

Accumulated depreciation on disposal/adjustments for the year ended 31 March 2018, ₹ 25,343 for office equipment.

### Property, plant and equipment pledged as security

Refer note 27 for information on property, plant and equipment pledged as security by the Company.

### Contractual obligation

Refer note 62(c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

### Discontinued operation

Depreciation for the current year includes depreciation for discontinued operations ₹ 21,417 lacs.

### Capitalised borrowing cost

No borrowing cost has been capitalised during the year ended 31 March 2018, 31 March 2017 and as at 1 April 2016.

## 6. Capital work in progress

| Particulars | Amount |
|---|---|
| **Gross carrying value** | |
| As at 1 April 2016 | 3,303 |
| Additions | 11,109 |
| Transfer to property, plant and equipments | 12,202 |
| **As at 31 March 2017** | **2,210** |
| Additions | 23,261 |
| Addition due to business combination (refer note 41) | 17,305 |
| Transfer to property, plant and equipments | 30,526 |
| Disposal on account of business transfer agreement (refer note 42) | 6,285 |
| **As at 31 March 2018** | **5,965** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Capital work in progress**

Refer note 27 for information on capital work in progress pledged as security by the Company.

**Discontinued operation**

Disposal for the current year on account of discontinued operations ₹ 6,285 lacs. (refer note 42)

**7. Goodwill**

| Particulars | 31 March 2018 | 31 March 2017 | 1 April 2016 |
|---|---|---|---|
| **Goodwill** | **391,138** | - | - |
| Movement of Goodwill | | | |
| **Opening balance** | **-** | - | - |
| Addition due to business combination (refer note 41) | **627,543** | - | - |
| Disposal on account of business transfer agreement (refer note 42) | **236,405** | - | - |
| **Closing balance** | **391,138** | - | - |

**Impairment testing**

At each balance sheet date, goodwill is tested for impairment. The recoverable amount of cash generating unit (CGU) is determined based on the higher of value-in-use and fair value less cost to sell Key assumptions on which the management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. The cash flow projections take into account past experience and represent the management's best estimate about future developments. Cash flow projections based on financial budgets are approved by management.

**8. Other intangible assets**

| Particulars | Trademark / Brand | License fee | Software | Customer and Distributor Relationship | Total |
|---|---|---|---|---|---|
| **Gross carrying value** | | | | | |
| As at 1 April 2016 | - | 1,174 | 3,734 | - | 4,908 |
| Additions | - | 222 | 500 | - | 722 |
| Disposal/ adjustments | - | - | - | - | - |
| **As at 31 March 2017** | **-** | **1,396** | **4,234** | **-** | **5,630** |
| Addition due to business combination (refer note 41) | 102,909 | 130 | 1,212 | 126,134 | 230,385 |
| Additions | - | 33 | 361 | - | 394 |
| Disposal on account of business transfer agreement (refer note 42) | - | - | - | 15,553 | 15,553 |
| Disposal/adjustments | - | - | - | - | - |
| **As at 31 March 2018** | **102,909** | **1,559** | **5,807** | **110,581** | **220,856** |
| **Accumulated amortisation** | | | | | |
| As at 1 April 2016 | - | 1,174 | 2,930 | - | 4,104 |
| Charge for the year | - | 4 | 394 | - | 398 |
| Disposal/ adjustments | - | - | - | - | - |
| **As at 31 March 2017** | **-** | **1,178** | **3,324** | **-** | **4,502** |
| Charge for the year | - | 177 | 662 | 6,286 | 7,125 |
| Disposal on account of business transfer agreement (refer note 42) | - | - | - | 775 | 775 |
| Disposal/adjustments | - | - | - | - | - |
| **As at 31 March 2018** | **-** | **1,355** | **3,986** | **5,511** | **10,852** |
| Net block as at 1 April 2016* | - | - | 804 | - | 804 |
| **Net block as at 31 March 2017** | **-** | **218** | **910** | **-** | **1,128** |
| **Net block as at 31 March 2018** | **102,909** | **204** | **1,821** | **105,070** | **210,004** |

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated amortisation from the pervious GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Contractual obligation**

Refer note 62(c) for disclosure of contractual commitments for the acquisition of intangible assets.

**Discontinued operation**

Depreciation for the current year includes depreciation for discontinued operations ₹ 775 lacs.

**9. Investments (non-current)**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **In equity instruments** | | | |
| **(i) Equity shares fully paid up of subsidiary companies carried at cost (unquoted)** | | | |
| Dish T V Lanka (Private) Limited 70,000 (31 March 2017: 70,000 and 1 April 2016: 70,000) equity shares of LKR 10, each fully paid up. | **3** | 3 | 3 |
| Dish Infra Services Private Limited 118,010,000 (31 March 2017: 118,010,000 and 1 April 2016: 118,010,000) equity shares of ₹ 10, each fully paid up | **11,801** | 11,801 | 11,801 |
| Dish Infra Services Private Limited Equity portion of corporate guarantee given and share based payments | **5,494** | 3,517 | 2,934 |
| **(ii) Equity shares fully paid up of joint venture companies carried at cost (unquoted)** | | | |
| C&S Medianet Private Limited* 4,800 ( 31 March 2017: 4,800 and 1 April 2016: nil ) equity shares of ₹ 10, each fully paid up (* ₹ 48,000 as on 31 March 2018 (previous year ₹ 48,000), rounded off to ₹ lacs) | **0** | 0 | - |
| **(iii) Equity shares fully paid up of other companies carried at fair value through other comprehensive income (unquoted)** | | | |
| Dr. Subhash Chandra Foundation** 1 (31 March 2017: 1 and 1 April 2016: nil) equity shares of ₹ 10, each fully paid up (** ₹ 10 as on 31 March 2018 (previous year ₹ 10), rounded off to ₹ lacs) | **0** | 0 | - |
| **In Others** | | | |
| Certificate of deposits [Represents deposits with SICOM Limited (a financial institution)]. | **15,000** | 15,000 | 15,000 |
| | **32,298** | 30,321 | 29,738 |
| Aggregate amount of quoted investments and market value thereof | **-** | - | - |
| Aggregate amount of unquoted investments | **32,298** | 30,321 | 29,738 |
| Aggregate amount of impairment in the value of investments | **-** | - | - |
| | **32,298** | **30,321** | **29,738** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**10. Loans (non-current)**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Unsecured, considered good unless otherwise stated** | | | |
| Security deposit | | | |
| - to related parties (refer note 55 (d)) | **402** | 371 | 344 |
| - to others | **1,129** | 613 | 331 |
| Loans and advances to related party (refer note 55 (d))* | | | |
| Considered good | **11,957** | 8,526 | 6,700 |
| Considered doubtful | **1,570** | 386 | - |
| Less: provision for expected credit loss | **(1,570)** | (386) | - |
| | **13,488** | 9,510 | 7,375 |

* Refer note 51 B for disclosure of fair value in respect of financial assets measured at cost and refer note 52 B for assessment of expected credit loss

**11. Other financial assets (non-current)**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Others** | | | |
| Bank deposits with of more than 12 months maturity* | **275** | 19 | 219 |
| | **275** | 19 | 219 |

* Refer note 51 B for disclosure of fair value in respect of financial assets measured at cost and refer note 52 B for assessment of expected credit loss.

**12. Deferred tax assets/liabilities (net)**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Deferred tax assets / (liabilities) arising on account of :** | | | |
| Property, plant and equipment and intangible assets | **(93,599)** | 2,395 | 1,976 |
| Provision for employee benefits and others provisions / liabilities deductible on actual payment | **1,574** | 1,719 | 2,218 |
| Allowances for expected credit loss - Trade Receivables and advances/loans | **1,647** | 605 | 346 |
| Expense disallowed u/s 35DD of Income Tax Act, 1961 | **1,691** | - | - |
| Unabsorbed depreciation | **46,414** | - | - |
| Receivables, financial assets and liabilities at amortised cost | **(1,638)** | (342) | 324 |
| **Total Deferred Tax Asset/(liabilities) (net)** | **(43,911)** | 4,377 | 4,864 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| **Movement in deferred tax assets/liabilities for the year ended 31 March 2018** | **As at 1 April 2017** | **Recognised / reversed through profit and loss** | **Recognised / reversed through OCI** | **Recognised as business combination** | **Disposal as per business transfer agreement** | **As at 31 March 2018** |
|---|---|---|---|---|---|---|
| **Deferred tax assets / (liabilities) arising on account of :** | | | | | | |
| Property, plant and equipment and intangible assets | 2,395 | (51,177) | - | 8,522 | (53,339) | (93,599) |
| Provision for employee benefits and others provisions / liabilities deductible on actual payment | 1,719 | 414 | (43) | - | (516) | 1,574 |
| Allowances for expected credit loss - Trade Receivables and advances/loans | 605 | 1,042 | - | - | - | 1,647 |
| Expense disallowed u/s 35DD of Income Tax Act, 1961 | - | 1,691 | - | - | - | 1,691 |
| Unabsorbed depreciation | - | 46,414 | - | - | - | 46,414 |
| Receivables, financial assets and liabilities at amortised cost | (342) | (39) | - | (865) | (392) | (1,638) |
| **Total deferred tax assets / (liabilities) (net)** | **4,377** | **(1,655)** | **(43)** | **7,657** | **(54,247)** | **(43,911)** |

| **Movement in deferred tax assets/liabilities for the year ended 31 March 2017** | **As at 1 April 2016** | **Recognised / reversed through profit and loss** | **Recognised / reversed through OCI** | **As at 31 March 2017** |
|---|---|---|---|---|
| **Deferred Tax Assets / (liabilities) in relation to:** | | | | |
| Property, plant and equipment and intangible assets | 1,976 | 419 | - | 2,395 |
| Provision for employee benefits and others provisions / liabilities deductible on actual payment | 2,218 | (487) | (12) | 1,719 |
| Allowances for expected credit loss - Trade Receivables and advances/loans | 346 | 259 | - | 605 |
| Receivables, financial assets and liabilities at amortised cost | 324 | (666) | - | (342) |
| **Total deferred tax assets / (liabilities) (net)** | **4,864** | **(475)** | **(12)** | **4,377** |

## 13. Current tax assets (net)

| | **As at 31 March 2018** | **As at 31 March 2017** | **As at 1 April, 2016** |
|---|---|---|---|
| Income tax (net of provision of ₹ 9,319 lacs (31 March 2017: ₹ 9,515 lacs, 1 April 2016: ₹ 260 lacs)) | **7,347** | 3,835 | 4,146 |
| | **7,347** | 3,835 | 4,146 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**14. Other non current assets**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April, 2016 |
|---|---|---|---|
| Capital advances | **152** | 172 | 23 |
| Balance with statutory authorities* | **9,739** | 5,045 | 1,538 |
| Wealth tax | **32** | 32 | - |
| Prepaid expenses | **2,564** | 79 | 1,759 |
| | **12,487** | 5,328 | 3,320 |

* represent amount paid under protest netted off provision recognised ₹ 609 lacs [31 March 2017: ₹ 549 lacs and 1 April 2016: ₹ 405 lacs)

**15. Trade receivables**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April, 2016 |
|---|---|---|---|
| Unsecured considered good | **12,776** | 8,141 | 6,415 |
| Unsecured considered doubtful | **3,216** | 1,749 | 998 |
| | **15,992** | 9,890 | 7,413 |
| Less: allowances for expected credit loss | **(3,216)** | (1,749) | (998) |
| | **12,776** | 8,141 | 6,415 |

Trade receivable have been pledged as security for liabilities, refer note 27.

**16. Cash and cash equivalents**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April, 2016 |
|---|---|---|---|
| Balances with banks:- | | | |
| In current accounts | **26,365** | 11,802 | 1,700 |
| In deposit accounts with original maturity of less than three months | **-** | - | 6 |
| Cheques, drafts in hand | **139** | 166 | 268 |
| Cash in hand | **6** | 1 | 0 |
| | **26,510** | 11,969 | 1,974 |

**17. Other bank balances**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April, 2016 |
|---|---|---|---|
| In current accounts# | **0** | 0 | 0 |
| Deposits with maturity of more than 3 months but less than 12 months## (refer note 64) | **12,742** | 10,955 | 22,534 |
| | **12,742** | 10,955 | 22,534 |

\# ₹ 0.42 lacs (31 March 2017: ₹ 0.42 lacs and 1 April 2016: ₹ 0.42 lacs) in share call money accounts in respect of right issue

\## includes unutilised proceeds of GDR issue amounting to ₹ nil (31 March 2017: ₹ 271 lacs and 1 April 2016: ₹ 12,525 lacs)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

## 18. Loans (current)

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Security deposits (Unsecured, considered good)*** | | | |
| Related parties [refer note 55(d)] | **54** | 1,054 | 1,054 |
| Others | **110** | 56 | 345 |
| | **164** | 1,110 | 1,399 |

* The carrying values are considered to be reasonable approxination of fair values.

## 19. Other financial assets (current)

**Unsecured, considered good unless otherwise stated**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April, 2016 |
|---|---|---|---|
| Interest accrued but not due on fixed deposits | **140** | 79 | 37 |
| Amount recoverable# | | | |
| Considered good* | **330,289** | 77,952 | 62,659 |
| **Others** | | | |
| Considered doubtful | **2,170** | - | - |
| Less: provision for expected credit loss | **(2,170)** | - | - |
| | **330,429** | 78,031 | 62,696 |

# The carrying values are considered to be reasonable approximation of fair values.

* Includes ₹ 314,826 lacs from subsidiary company, Dish Infra Services Private Limited including ₹ 201,940 lacs as consideration for business transfer (refer note 42).

## 20. Other current assets

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April, 2016 |
|---|---|---|---|
| Balance with statutory authorities | **3,236** | 575 | 1,771 |
| Prepaid expenses | **3,874** | 4,349 | 2,312 |
| Amount recoverable in cash or in kind* | **2,971** | 1,760 | 1,687 |
| | **10,081** | 6,684 | 5,770 |

* Includes amount ₹ 57 lacs (31 March 2017: ₹ 17 lacs and 1 April, 2016: ₹ 13 lacs) advanced to related party

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

## 21. Equity share capital

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Authorised** | | | |
| 1,500,000,000 (31 March 2017: 1,500,000,000 and 1 April 2016: 1,500,000,000) equity shares of ₹ 1 each | **15,000** | 15,000 | 15,000 |
| Increased during the year 5,000,000,000 (31 March 2017: nil and 1 April 2016: nil ) equity shares of ₹ 1 each* | **50,000** | - | - |
| 6,500,000,000 (31 March 2017: 1,500,000,000 and 1 April 2016: 1,500,000,000 ) equity shares of ₹ 1 each | **65,000** | 15,000 | 15,000 |
| **Issued** | | | |
| 1,923,799,917 (31 March 2017: 1,065,934,528 and 1 April 2016: 1,065,830,337 ) equity shares of ₹ 1 each, fully paid up | **19,238** | 10,659 | 10,659 |
| **Subscribed and fully paid up** | | | |
| 1,841,236,752 (31 March 2017: 1,065,934,528 and 1 April 2016: 1,065,830,337 ) equity shares of ₹ 1 each, fully paid up | **18,413** | 10,659 | 10,659 |
| **Subscribed and not fully paid up** | | | |
| 33,682 (31 March 2017: 34,377 and 1 April 2016: 34,498 ) equity shares of ₹ 1 each, fully called up (refer footnote b) | **0** | 0 | 0 |
| Less: calls in arrears (other than from directors/ officers)** | **(0)** | (0) | (0) |
| **Total Equity share capital** | **18,413** | 10,659 | 10,659 |

* Increase in authorised share capital on account of merger (refer note 41)

** ₹ 13,199 ( ₹ 13,373 as on 31 March 2017 and ₹ 13,403 as on 1 April 2016)

Difference in number of shares issued and number of shares subscribed is on account of shares held in abeyance (refer footnote h below)

**Footnotes:**

**a) Reconciliation of the number of shares outstanding**

| | Nos | Nos |
|---|---|---|
| Shares at the beginning of the year | **1,065,968,905** | 1,065,864,835 |
| Add: Issued during the year under employees stock option plan | **45,370** | 104,070 |
| Add: Issued during the year under merger (refer note 41) net of shares held in abeyance (refer footnote h below) | **775,256,159** | - |
| Shares at the end of the year | **1,841,270,434** | 1,065,968,905 |

**b) Detail of shares not fully paid-up**

14,567 (31 March 2017: 15,262 and 1 April 2016: 15,383) equity shares of ₹ 1 each, ₹ 0.75 paid up.

19,115 ( 31 March 2017: 19,115 and 1 April 2016: 19,115) equity shares of ₹ 1 each, ₹ 0.50 paid up.

**c) Rights, preferences, restrictions attached to the equity shares**

The Company has only one class of equity shares, having a par value of ₹ 1 per share. Each shareholder is eligible to one vote per fully paid equity share held (i.e. in proportion to the paid up shares in equity capital). The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**d) Details of shareholders holding more than 5% shares of the Company**

| Name | As at 31 March 2018 | | As at 31 March 2017 | | As at 1 April 2016 | |
|---|---|---|---|---|---|---|
| | Number of shares | % holding in the Company | Number of shares | % holding in the Company | Number of shares | % holding in the Company |
| i) Direct Media Distribution Ventures Private Limited | **457,212,260** | **24.83%** | 457,212,260 | 42.89% | 457,212,260 | 42.90% |
| ii) Deutsche Bank Trust Company Americas* | **277,095,615** | **15.05%** | - | 0.00% | - | 0.00% |
| iii) Electroparts (India)Private Ltd | **122,072,040** | **6.63%** | - | 0.00% | - | 0.00% |
| iv) Solitaire Appliances Pvt Ltd | **101,760,932** | **5.53%** | - | 0.00% | - | 0.00% |
| v) Greenfield Appliances Private Limited | **101,760,931** | **5.53%** | - | 0.00% | - | 0.00% |
| vi) Waluj Components Private Limited | **101,275,125** | **5.50%** | - | 0.00% | - | 0.00% |
| vii) Veena Investments Private Limited | **86,094,822** | **4.60%** | 86,094,822 | 8.08% | 100 | 0.00% |
| viii) Direct Media Solutions LLP (formerly known as Direct Media Solutions Private Limited) | **76,905,278** | **4.18%** | 76,905,278 | 7.21% | 180,000,000 | 16.89% |

Shareholding disclosed above does not include shares issued but kept in abeyance as at the balance sheet date due to the reasons stated in foot note (h) below.

* In terms of the Scheme (refer note 41), the Board of Directors of the Company at their meeting held on 26 March 2018 issued and allotted equity shares to the shareholders of Videocon D2H Limited (D2H), including Deutsche Bank Trust Company Americas, which held the underlying equity shares of D2H against which American Depositary Shares ("ADSs") were issued and listed on Nasdaq Global Market ("Nasdaq"). In terms of the Scheme, the said ADSs were to be voluntarily delisted from Nasdaq. Accordingly, the said ADS were delisted from Nasdaq and in terms of the Scheme, the ADS holders of D2H were issued Global Depositary Receipts (the "GDRs") of Dish TV India Limited. However, the process of cancellation of ADS and issuance of GDRs of the Company was completed post 31 March 2018 and accordingly, pending completion of entire process, the equity shares issued to Deutsche Bank Trust Company Americas in its capacity as a "trustee" are disclosed as holders of the shares of the Company as on 31 March 2018. Subsequent to the year-end, ADS holders have been issued GDRs with shares of the Company as their underlying.

**e) Subscribed and fully paid up shares include:**

2,606,880 (31 March 2017: 2,561,510 and 1 April 2016: 2,457,440) equity shares of ₹ 1 each, fully paid up, issued to the employees, under Employee Stock Option Plan, i.e., ESOP 2007.

**f)** 4,282,228 (31 March 2017: 4,282,228 and 1 April 2016: 4,282,228) equity shares of ₹ 1 each are reserved for issue under Employee Stock Option Plan 2007. (refer note 49 for terms and amount etc.)

**g) Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

(i) The Company has issued 857,785,642 numbers of shares under the scheme of merger (refer note 41), out of which 775,256,159 numbers of shares have been allotted during the year without payment being received in cash (also refer footnote h below); and

(ii) No share has been alloted by way of bonus issues and no share has been bought back in the current year and preceding five year

**h)** The allotment of 82,529,483 equity shares of the Company has been kept in abeyance, due to litigation, till such time the claim over the title of the share is ascertained by appropriate statutory or judicial bodies.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

## 22. Other equity

| | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Retained earnings** | | |
| Balance at the beginning of the year | **(139,328)** | (156,140) |
| Add: Transferred from securities premium (capital reduction) (refer note 40) | **154,340** | - |
| Add: Profit/(loss) for the year | **3,334** | 16,789 |
| Add: Remeasurement of post employment benefits | **81** | 23 |
| Balance at the end of the year | **18,427** | (139,328) |
| **Securities premium account** | | |
| Balance at the beginning of the year | **154,418** | 154,340 |
| Add: Additions during the year | **633,520** | 78 |
| Less: Transferred to retained earning (capital reduction) (refer note 40) | **(154,340)** | - |
| Balance at the end of the year | **633,598** | 154,418 |
| **General reserves** | | |
| Balance at the beginning and end of the year | **1,849** | 1,849 |
| **Shares options outstanding account** | | |
| Balance at the beginning of the year | **157** | 75 |
| Add: Share based payments to employees during the year | **(62)** | 97 |
| Add: Share based payments to employees of subsidiary company | **16** | 4 |
| Less: Transferred to securities premium | **(18)** | (19) |
| Balance at the end of the year | **93** | 157 |
| **Other components of equity** | | |
| Shares kept in abeyance [refer note 21(h)] | **825** | - |
| | **654,792** | 17,096 |

**Nature and purpose of other reserves**

**Retained earnings**

All the profits made by the Company are transferred to the retained earnings from statement of profit and loss

**Securities premium account**

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

**General reserve**

Balance pursuant to the scheme of arrangement and re organisation of share capital as approved by Hon'ble high court of judicature at Bombay and high court of judicature at New delhi vide their order dated 12 January 2007 and 19 January 2007 respectively.

**Shares Options Outstanding Account**

The reserve account is used to recognise the amortisation of grant date fair value of options issued to employees (including employees of subsidiary company) under employee stock option plan over the vesting period.

**Other component of equity**

The shares issued under merger but not allotted are kept in abeyance.

## 23. Borrowings (non-current)

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Term Loan (Unsecured)** | | | |
| From financial institution (Cisco System Capital (India) Private Ltd.) | **2,406** | - | - |
| Less: Current maturities of long-term borrowings | **(1,537)** | - | - |
| | **869** | - | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Repayment term of outstanding long term borrowings (including current maturities) as at 31 March 2018, 31 March 2017 and 1 April 2016**

(i) Loan outstanding ₹ 24 lacs carrying interest rate @ 11.95% per annum, is repayable in 4 quarterly instalment of ₹ 7 lacs (including interest) each with last instalment payable on 5 January 2019

(ii) Loan outstanding ₹ 91 lacs carrying interest rate @ 11.95% per annum, is repayable in 4 quarterly instalment of ₹ 24 lacs (including interest) each with last instalment payable on 11 January 2019

(iii) Loan outstanding ₹ 140 lacs carrying interest rate @ 11.95% per annum, is repayable in 4 quarterly instalment of ₹ 38 lacs (including interest) each with last instalment payable on 22 January 2019

(iv) Loan outstanding ₹ 65 lacs carrying interest rate @ 11.95% per annum, is repayable in 4 quarterly instalment of ₹ 17 lacs (including interest) each with last instalment payable on 18 January 2019

(v) Loan outstanding ₹ 175 lacs carrying interest rate @ 11.95% per annum, is repayable in 5 quarterly instalment of ₹ 38 lacs (including interest) each with last instalment payable on 24 May 2019

(vi) Loan outstanding ₹ 738 lacs carrying interest rate @ 11.44% per annum, is repayable in 7 quarterly instalment of ₹ 118 lacs (including interest) each with last instalment payable on 16 October 2019

(vii) Loan outstanding ₹ 123 lacs carrying interest rate @ 11.95% per annum, is repayable in 6 quarterly instalment of ₹ 23 lacs (including interest) each with last instalment payable on 20 July 2019

(viii) Loan outstanding ₹ 698 lacs carrying interest rate @ 11.44% per annum, is repayable in 7 quarterly instalment of ₹ 111 lacs (including interest) each with last instalment payable on 17 November 2019

(ix) Loan outstanding ₹ 352 lacs carrying interest rate @ 11.44% per annum, is repayable in 7 quarterly instalment of ₹ 49 lacs (including interest) each with last instalment payable on 23 December 2019.

**23.1 Reconciliation of liabilities arising from financing activities**

| Particulars | Borrowings (non-current) | Borrowings (current) | Total |
|---|---|---|---|
| **As at 1 April 2017** | - | - | - |
| Cash flows: | | | |
| Repayment of borrowings | (31,356) | - | (31,356) |
| Proceeds from borrowings | - | 5,417 | 5,417 |
| Non-cash: | | | |
| Acquired under business combination (refer note 41) | 1,98,178 | 12,935 | 2,11,113 |
| Transfer on account of business transfer agreement | (1,64,416) | (5,949) | (1,70,365) |
| **As at 31 March 2018** | **2,406** | **12,403** | **14,809** |

**24. Other financial liabilities (non-current)**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Financial guarantee contracts | **780** | 315 | 1,239 |
| | **780** | 315 | 1,239 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**25. Provisions (non-current)**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Provisions for employee benefits** | | | |
| Leave encashment | **453** | 284 | 245 |
| Gratuity (refer note 50) | **939** | 804 | 747 |
| | **1,392** | 1,088 | 992 |

**26. Other non current liabilities**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Income received in advance | **1,404** | 1,295 | 1,054 |
| | **1,404** | 1,295 | 1,054 |

**27. Borrowings (current)**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Secured** | | | |
| **From banks** | | | |
| Bill discounting facility | **12,403** | - | - |
| | **12,403** | - | - |

Bill discounting facility, having outstanding amount of ₹ 12,403 lacs as at 31 March 2018, assumed under the scheme of arrangement (refer note 41), were secured by the first pari-passu charge on the present and future current assets of the transferor company, first pari-passu charge on movable / immovable fixed assets of the transferor company and were also secured by personal guarantee of promoter of transferor company. Pursuant to the National Company Law Tribunal (NCLT) order dated 27 July 2018, all guarantees and securities provided by transferor company shall stand transferred to and vested in the transferee company upon the scheme of arrangement came into effect on the effective date. The Company is in the process of getting the aforementioned transfers effected in the records of the lenders. Also refer note 55.

This facility carries rate of interest ranging from 10.75% p.a. to 12.5% p.a.

**28. Trade payables**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | **-** | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | **54,409** | 11,851 | 20,521 |
| | **54,409** | 11,851 | 20,521 |

Dues to small and micro enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006#:

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | **-** | - | - |
| ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; | **-** | - | - |
| iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act; | **-** | - | - |
| iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | **-** | - | - |
| v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 | **-** | - | - |

# The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006.

**29. Other financial liabilities (current)***

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Current maturities of long term borrowing (refer note 23) | **1,537** | - | - |
| Security deposit received | **87** | 77 | 78 |
| Financial guarantee contracts | **726** | 1,031 | 1,646 |
| Employee related payables | **443** | 190 | 143 |
| Capital creditors | **3,011** | 3,279 | 3,134 |
| Book overdraft | **7,402** | - | - |
| Commission accrued | - | - | 191 |
| | **13,206** | 4,577 | 5,192 |

* The carrying values are considered to be reasonable approxination of fair values.

**30. Other current liabilities**

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Income received in advance | **32,459** | 9,215 | 10,798 |
| Statutory dues | **14,330** | 5,275 | 7,470 |
| Other advance from customers | **3,713** | 2 | 23 |
| Money received against partly paid up shares* | **0** | 0 | 0 |
| | **50,502** | 14,492 | 18,291 |

* ₹ 42,451 as on 31 March, 2018, ₹ 42,451 as on 31 March, 2017 and ₹ 42,451 as on 1 April, 2016 (rounded off to rupees lacs)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

## 31. Provisions (current)

| | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| **Provisions for employee benefits** | | | |
| Leave encashment | **55** | 47 | 18 |
| Gratuity (refer note 50) | **214** | 103 | 20 |
| **Others provisions** | | | |
| License fees, including interest (refer note 57) | **278,528** | 139,740 | 119,271 |
| | **278,797** | 139,890 | 119,309 |

## 32. Revenue from operations

| | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|
| Subscription revenue from Direct to Home subscribers | **263,845** | 173,165 |
| Teleport services | **2,325** | 2,260 |
| Bandwidth charges | **13,641** | 10,291 |
| Sales of customer premises equipment (CPE) and accessories | **-** | 22 |
| Advertisement income | **6,439** | 5,173 |
| Other operating income | **10** | 3,628 |
| | **286,260** | 194,539 |

## 33. Other income

| | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|
| Interest income on: | | |
| - investments | **1,500** | 1,787 |
| - fixed deposits/margin money accounts | **754** | 1,207 |
| - financial asset measured at amortised cost | **60** | 57 |
| - loans to related parties | **1,184** | 753 |
| - income tax refund | **119** | 165 |
| Gain on mutual funds | **-** | 52 |
| Liabilities written back | **41** | 253 |
| Income from financial guarantee contracts | **1,802** | 2,117 |
| Miscellaneous income | **672** | 557 |
| | **6,132** | 6,948 |

## 34. Operating expenses

| | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|
| Transponder lease | **24,486** | 16,334 |
| License fees (refer note 57) | **37,493** | 21,745 |
| Uplinking charges | **844** | 726 |
| Programming and other costs | **165,207** | 93,032 |
| Other operating expenses | **2** | 17 |
| | **228,032** | 131,854 |

## 35. Employee benefit expenses

| | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|
| Salary, bonus and allowance | **8,070** | 5,231 |
| Contribution to provident and other funds | **451** | 298 |
| Share based payments to employees | **(62)** | 97 |
| Staff welfare | **177** | 82 |
| Recruitment and training expenses | **139** | 53 |
| | **8,775** | 5,761 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**36. Finance costs**

| | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|
| Interest on: | | |
| - Regulatory dues (refer note 57) | **13,771** | 9,484 |
| - Bill discounting charges | **705** | - |
| - Others | **77** | 44 |
| Guarantee and other finance charges | **337** | 486 |
| | **14,890** | 10,014 |

**37. Depreciation /amortisation**

| | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|
| Depreciation from continuing operation | **14,290** | 7,368 |
| Amortisation from continuing operation | **6,350** | 398 |
| | **20,640** | 7,766 |

**38. Other expenses**

| | For the Year ended 31 March 2018 | For the Year ended 31 March 2017 |
|---|---|---|
| Electricity charges | **731** | 307 |
| Rent | **631** | 231 |
| Repairs and maintenance | | |
| - Plant and machinery | **377** | 276 |
| - Building | **12** | 16 |
| - Others | **1,868** | 342 |
| Insurance | **22** | 21 |
| Rates and taxes | **2,674** | 359 |
| Legal and professional fees | **8,129** | 2,074 |
| Director's sitting fees | **21** | 20 |
| Corporate social responsibility expenses (refer note 65) | **431** | 189 |
| Printing and stationary | **64** | 41 |
| Communication expenses | **966** | 927 |
| Travelling and conveyance | **395** | 221 |
| Service and hire charges | **272** | 217 |
| Advertisement and publicity expenses | **8,847** | 8,695 |
| Business promotion expenses | **31** | 28 |
| Customer support services | **6** | - |
| Commission | **1** | - |
| Infra support service fees | **3,602** | 3,617 |
| Freight, cartage and demurrage | **3** | 0 |
| Bad debts and balances written off | **80** | 410 |
| Provision for expected credit loss | **4,149** | 1,137 |
| Foreign exchange fluctuation (net) | **198** | 164 |
| Loss on sale / discard of property, plant and equipment | **2** | 1 |
| Loss on sale / discard of capital work-in-progress (net) | **56** | 53 |
| Miscellaneous expenses* | **680** | 939 |
| | **34,248** | 20,285 |

* Includes ₹ 50 lacs contribution paid during the previous year ended 31 March 2017 to Bharatiya Janata Party

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**39. Group Structure**

| Particulars | Country of incorporation | Percentage of ownership |
|---|---|---|
| **Names of the subsidiary companies** | | |
| Dish Infra Services Private Limited | India | 100.00% |
| Dish TV Lanka Private Limited | Sri Lanka | 70.00% |
| **Name of the joint ventures** | | |
| C&S Medianet Private Limited | India | 48.00% |

**40.** The Board of Directors, at their meeting held on 23 May 2016, had approved adjustment of entire securities premium account against the accumulated losses, through Capital reduction under section 100 to 104 of the Companies Act, 1956 read with section 52 of the Companies Act, 2013. The Company received observation letter(s) from National Stock Exchange of India Limited and BSE Limited dated 14 July 2016 and 15 July 2016 respectively, confirming their No Objection to the said proposal. The Shareholders of the Company also accorded their approval vide special resolution dated 19 September 2016. The Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') vide its order dated 28 June 2017 approved the reduction of Share Capital of the Company by way of utilising the amount standing to the credit of the Securities Premium Account for writing off deficit in the statement of Profit and Loss Account of the Company. The Company has completed the necessary filings with Registrar of Companies. Accordingly, the entire Securities Premium account amounting to ₹ 154,340 lacs as on 31 March 2016, has been reduced for writing off deficit in the accumulated balance of retained earnings of the Company during year ended 31 March 2018.

**41. Business Combination**

**A. Scheme of arrangement**

The Board of Directors at their meeting held on 11 November 2016 had approved the "Scheme of Arrangement" to merge Videocon D2H Limited ("Videocon D2H"), a company engaged in providing direct to home television services through a network of distributors & direct dealers ('Transferor company') with Dish TV India Limited ('Transferee company') under Section 391 read with Section 394 of the Companies Act, 1956 and / or applicable Sections of the Companies Act 2013 with effect from 1 October 2017, ("the Appointed Date") subject to obtaining necessary approvals of the Shareholders, National company Law Tribunal (NCLT) and regulatory authorities.

The proposed merger was to enable consolidation of the business and operations of the transferor and transferee company which could provide substantial impetus to growth, enable synergies, reduce operation costs, as a result of pooling of financial, managerial and technical resources and technology of both the companies, significantly contributing to the future growth and maximising the shareholder value.

The said scheme received the approval of the NCLT vide orders passed on 27 July 2017 which was subject to obtaining approvals from Competition Commission of India, Ministry of Information and Broadcasting, Securities and Exchange Board of India and Stock Exchanges. The company obtained required approvals from the aforementioned authorities and submitted relevant documents to the Ministry of Corporate Affairs on 22 March 2018 which was the effective date of the merger.

The business combination was considered from the appointed date as approved by the Hon'ble NCLT, viz 1 October 2017. Such date has been considered as the acquisition date for the purpose of Ind AS 103 Business Combination.

**B. Details of purchase consideration, net assets acquired and goodwill**

| Particulars | Total |
|---|---|
| Value of Equity Shares of Dish TV India Limited | 642,053 |
| **Total purchase consideration** | **642,053** |

(All amounts in ₹ lacs, unless otherwise stated)

The fair value of 857,785,642 number of equity shares of Dish TV India Limited ('the company') issued as consideration paid for Videocon D2H ₹ 642,053 lacs was based on the quoted price of equity shares of the company on 29 September 2017 as last traded prior to Sunday, 1 October 2017 i.e. acquisition date.

**Acquisition-related cost**

The Company incurred acquisition related cost of ₹ 5,672 lacs on legal fees and other due diligence costs. These costs have been included in "legal and professional fee" in statement of profit and loss and in operating cash flows in the statement of cash flows.

**Identifiable assets acquired and liabilities assumed**

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition i.e. 1 October 2017

| **Particulars** | **Amount** |
|---|---|
| Property, plant and equipment | 168,083 |
| Other intangible assets- computer software | 1,212 |
| Land - operating lease (refer note A) | 2,477 |
| Capital work in progress | 17,305 |
| Brand, trademarks and designs | 102,909 |
| Customer and distributor relationships | 126,134 |
| License fees | 130 |
| Net current assets | (110,597) |
| Borrowings | (211,113) |
| Contingent liabilities taken over | (89,686) |
| Deferred tax assets on business combination | 7,657 |
| **Total identifiable net assets acquired (Note B)** | **14,511** |

**Note A:**

Land-operating lease (leasehold land) disclosed above is located at Plot No. 1D, Udyog Vihar Industrial Area, Greater Noida, Dist. Gautam Budh Nagar, U.P.-201301 having a carrying value of ₹ 2,460 lacs as at 31 March 2018, net of lease rentals charged upto 31 March 2018 of ₹ 17 lacs (gross value of ₹ 2,477 lacs), acquired pursuant to business combination, title deeds of which are in the name of Videocon d2h Limited. The Company plans to get the registration transferred in its name in due course. Total carrying value of such land aggregating ₹ 2,460 lacs is included under prepaid expenses of ₹ 2,426 lacs and ₹ 34 lacs under non-current assets and current assets as at 31 March 2018. Building constructed on this land which is also acquired as part of the business combination (included under property, plant and equipment above) has a carrying value of ₹ 2,435 as at 31 March 2018 for which, in the opinion of the management, no separate registration is required to be done in the name of the Company.

The fair value of acquired trade receivable is ₹ 2,693 lacs. The gross contractual amount for trade receivable due is ₹ 3,365 lacs of which ₹ 672 lacs is doubtful to be collected.

**Note B : Measurement of fair values**

The valuation technique used for measuring the fair value of material assets acquired were as follows :

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| Assets Acquired | Valuation Technique |
|---|---|
| Property, plant and equipment | The methodology adopted for valuation is depreciated replacement cost method. The replacement cost method means the cost to be incurred if existing asset is to be replaced with a similar or equivalent asset. The replacement cost of assets is assumed by the following methods:<br>- Market Value Method<br>- Index Based Method<br>- Current price data / information available<br>Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence. |
| Intangible assets | The methodology adopted for valuation of intangible assets include 'Relief from Royalty' method and Profit Split Method. The Relief from royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents or trademarks being owned. The profit split method is a method to deduce how the profit generated from a business using a licensed intangible is split between licensor and licensee. |
| Net working capital | The carrying value of assets and liabilities to be realisable value as on acquisiton date adjusted for specific items based on management estimates on their recoverability. |
| Contingent liabilities | The amount of contingent liabilities is based on management judgement and probabilities of crystillisation |

**Goodwill**

| Particulars | Total |
|---|---:|
| Consideration transferred | 642,053 |
| Less: Net identifiable assets acquired | 14,511 |
| **Goodwill** | **627,542** |

For period ended 31 March 2018 (1 October 2017 to 31 March 2018), Videocon D2H contributed revenue of ₹ 171,241 lacs and profit before tax of ₹ 11,185 lacs to the company's results.

If the acquisition had occurred on 1 April 2017, management estimates that revenue of combined entities that is Dish TV India Limited and erstwhile Videocon D2H would have been ₹ 518,846 lacs and combined profit before tax would have been ₹ 6,697 lacs.

**42. Slump Sale**

The Board of directors approved a Business Transfer Agreement (BTA) between the Company and Dish Infra Services Private Limited (Dish Infra), a wholly owned subsidiary of the Company on 26 March 2018. The BTA became effective on closing of business hours of 31 March 2018 upon receipt of consent of the members of the Company.

Pursuant to the said BTA, the Company has transferred its infra support service business acquired as a part of merger with Videocon D2H to Dish Infra on a going concern basis by way of slump sale, with effect from closing of business hours of 31 March 2018. The assets and liabilities were transferred at carrying value as at 31 March 2018.

(All amounts in ₹ lacs, unless otherwise stated)

The effect of the transaction on the accounts of the Company as at 31 March 2018 is set out below:

**Assets and liabilities transferred under BTA are as follows:**

| **Particulars** | **Amount** |
|---|---|
| **Assets :** | |
| Property, plant and equipment (PPE) | 125,365 |
| Customer and distributor relationships | 14,778 |
| Capital work in progress | 6,285 |
| Goodwill# | 236,405 |
| Other net current assets | (102,269) |
| Deferred tax assets* | 54,247 |
| **Total Assets (A)** | **334,811** |
| **Liabilities :** | |
| Borrowings | 132,871 |
| **Total Liabilities (B)** | **132,871** |
| **Net assets (A-B)** | **201,940** |

**Details of purchase consideration**

| **Particulars** | **Amount** |
|---|---|
| Receivable from Dish Infra Services Private Limited | 201,940 |
| **Total purchase consideration** | **201,940** |

**# Goodwill**

Indicates part of goodwill on acquisition of Videocon D2H business pertaining to infra support services transferred to Dish Infra Services Private Limited

*** Deferred Tax**

Indicate deferred tax assets in respect of fixed assets transferred under BTA.

**43. Discontinued Operations**

The BTA as referred to in note 42 above, became effective on closing of business hours of 31 March 2018 and has been disclosed as discontinued operation.

**Financial performance and cash flow information**

The financial performance and cash flow information presented are for six months ended 31 March 2018.

| **Particulars** | **Amount** |
|---|---|
| **Income** | 73,046 |
| **Total income** | **73,046** |
| **Expenses:** | |
| Operating expenses | 5,992 |
| Employee benefits expense | 3,598 |
| Finance costs | 12,897 |
| Depreciation and amortisation expense | 22,193 |
| Other expenses | 9,380 |
| **Total expenses** | **54,060** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| Particulars | Amount |
|---|---|
| **Profit/ (Loss) before tax** | **18,986** |
| Tax expense: | |
| - Deferred Tax | 10,440 |
| **Profit/ (Loss) after tax** | **8,546** |
| Gain on slump sale | - |
| **Profit from discontinued operation** | **8,546** |
| Other Comprehensive income from discontinued operation(net of taxes) | - |
| Net cash generated from operating activities | 8,546 |
| Net cash used in investing activities | (181) |
| Net cash generated from financing activities | - |
| **Net Increase in cash generated from discontinued operation** | **8,365** |

**44.** During the year ended 31 March 2017, the Company had incorporated a joint venture with Siti Networks Limited (SITI Cable Network Limited), namely C&S Medianet Private Limited. The Company holds 48% of the equity share capital.

**45.** With effect from 9 November 2016, the registered office of the Company had shifted from Delhi to the State of Maharashtra at Mumbai, by passing special resolution to alter the provisions of its Memorandum of Association with respect to the place of the Registered Office and such alteration having been confirmed vide an order dated 28 October 2016 of the Regional Director, Northern Region.

**46.** With effect from 1 April 2016, the Company changed its business policy and started recovering entertainment tax from its subscribers and then paying it to the relevant authorities, therefore, entertainment tax has been netted off from subscription revenue for the period 1 April 2016 to 30 June 2017.

**47.** The Company has advanced loans, classified under long term loans and advances, to Dish T V Lanka Private Limited ("Dish Lanka"), its subsidiary company, which has incurred losses and its net worth has been eroded. The management is in the process of implementing certain changes to its business strategy in Sri Lankan market and based on future business plans and projections, believes that the subsidiary would turn around in future and accordingly, the loan given to this subsidiary has been considered good for recovery.

**48. Segmental information**

In line with the provisions of Ind AS 108 "Operating segments" and based on review of the operations done by the chief operating decision maker (CODM), the operations of the Company fall under Direct to Home ('DTH') and teleport services, which is considered to be the only reportable segment by the CODM.

**49. Employee stock option plan (ESOP) 2007**

At the Annual General Meeting held on 3 August 2007, the shareholders of the Company had approved Employee Stock Option Plan, i.e., ESOP 2007 ("the Scheme"). The Scheme provided for issuance of 4,282,228 stock options (underlying fully paid equity share of ₹ 1 each) to the employees of the Company as well as that of its subsidiaries of the Company at the exercise price which shall be equivalent to the market price determined as per the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ['SEBI (ESOP) Guidelines, 1999'].

The options granted under the Scheme shall vest between one year to six years from the date of grant of options, with 20% vesting each year. Once the options vest as per the Scheme, they would be exercisable by the grantee at any time within a period of four years from the date of vesting and the shares arising on exercise of such options shall not be subject to any lock-in period.

The shareholders in their meeting held on 28 August 2008 approved the re-pricing of outstanding options which were granted till that date and consequently the outstanding options were re-priced at ₹ 37.55 per option, determined as per SEBI (ESOP) Guidelines, 1999.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

However, in respect of options granted subsequent to 28 August 2008, the exercise price of the options has been maintained as equivalent to the market price determined as per the SEBI (ESOP) Guidelines, 1999.

As stated above, the options are granted to the employees at an exercise price, being the latest market price as per SEBI (ESOP) Guidelines, 1999.

The activity relating to the options granted and movements therein are set out below:

| Particulars | For the year ended 31 March 2018 | | For the year ended 31 March 2017 | |
|---|---|---|---|---|
| | Weighted Avg. Price | (Nos.) | Weighted Avg. Price | (Nos.) |
| Options outstanding at the beginning of the year | 91.81 | 1,005,960 | 74.19 | 455,850 |
| Add: Options granted | 95.40 | 40,000 | 97.18 | 803,800 |
| Less: Exercised | 63.06 | 45,370 | 58.59 | 104,070 |
| Less: Lapsed | 92.33 | 625,740 | 90.06 | 149,620 |
| Options outstanding at the end of the year | | 374,850 | | 1,005,960 |

The following table summarises information on the share options outstanding as of 31 March 2018:

| Particulars | Date of grant | Number of shares remaining out of options | Remaining contractual life (year) | Exercise price (₹) |
|---|---|---|---|---|
| Lot 1 | 21 August 2007 | - | - | - |
| Lot 2 | 24 April 2008 | - | - | - |
| Lot 3 | 28 August 2008 | - | - | - |
| Lot 4 | 28 May 2009 | - | - | - |
| Lot 5 | 27 October 2009 | - | - | - |
| Lot 6 | 26 October 2010 | - | - | - |
| Lot 7 | 21 January 2011 | - | - | - |
| Lot 8 | 20 July 2011 | - | - | - |
| Lot 9 | 19 July 2012 | - | - | - |
| Lot 10 | 23 May 2013 | 28,290 | 4.65 | 68.00 |
| Lot 11 | 26 July 2013 | 8,000 | 4.82 | 57.10 |
| Lot 12 | 27 May 2014 | 18,160 | 5.16 | 52.90 |
| Lot 13 | 29 October 2014 | - | - | - |
| Lot 14 | 20 March 2015 | 40,000 | 4.97 | 79.35 |
| Lot 15 | 26 May 2015 | - | - | - |
| Lot 16 | 28 July 2015 | - | - | - |
| Lot 17 | 23 May 2016 | 55,400 | 6.15 | 93.90 |
| Lot 18 | 24 March 2017 | 185,000 | 6.99 | 108.15 |
| Lot 19 | 24 May 2017 | 40,000 | 7.15 | 95.40 |
| Options outstanding at the end of the year | | **374,850** | **6.36#** | **94.81** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

The following table summarises information on the share options outstanding as of 31 March 2017:

| Particulars | Date of grant | Number of shares remaining out of options | Remaining contractual life (year) | Exercise price (₹) |
|---|---|---|---|---|
| Lot 1 | 21 August 2007 | - | - | - |
| Lot 2 | 24 April 2008 | - | - | - |
| Lot 3 | 28 August 2008 | 1,500 | 1.41 | 37.55 |
| Lot 4 | 28 May 2009 | - | - | - |
| Lot 5 | 27 October 2009 | - | - | - |
| Lot 6 | 26 October 2010 | - | - | - |
| Lot 7 | 21 January 2011 | - | - | - |
| Lot 8 | 20 July 2011 | - | - | - |
| Lot 9 | 19 July 2012 | - | - | - |
| Lot 10 | 23 May 2013 | 77,420 | 5.65 | 68.00 |
| Lot 11 | 26 July 2013 | 16,000 | 5.82 | 57.10 |
| Lot 12 | 27 May 2014 | 27,240 | 6.16 | 52.90 |
| Lot 13 | 29 October 2014 | - | - | - |
| Lot 14 | 20 March 2015 | 40,000 | 5.97 | 79.35 |
| Lot 15 | 26 May 2015 | 40,000 | 6.16 | 84.90 |
| Lot 16 | 28 July 2015 | - | - | - |
| Lot 17 | 23 May 2016 | 618,800 | 7.15 | 93.90 |
| Lot 18 | 24 March 2017 | 185,000 | 7.99 | 108.15 |
| Options outstanding at the end of the year | | **1,005,960** | **7.05#** | **91.81** |

The following table summarises information on the share options outstanding as of 1 April 2016:

| Particulars | Date of grant | Number of shares remaining out of options | Remaining contractual life (year) | Exercise price (₹) |
|---|---|---|---|---|
| Lot 1 | 21 August 2007 | 19,440 | 1.39 | 37.55* |
| Lot 2 | 24 April 2008 | - | - | - |
| Lot 3 | 28 August 2008 | 3,000 | 1.91 | 37.55* |
| Lot 4 | 28 May 2009 | 8,000 | 3.16 | 47.65 |
| Lot 5 | 27 October 2009 | - | - | - |
| Lot 6 | 26 October 2010 | - | - | 57.90 |
| Lot 7 | 21 January 2011 | - | - | 58.95 |
| Lot 8 | 20 July 2011 | 40,000 | 3.31 | 93.20 |
| Lot 9 | 19 July 2012 | - | - | - |
| Lot 10 | 23 May 2013 | 136,970 | 5.77 | 68.00 |
| Lot 11 | 26 July 2013 | 24,000 | 6.32 | 57.10 |
| Lot 12 | 27 May 2014 | 36,320 | 6.66 | 52.90 |
| Lot 13 | 29 October 2014 | 34,320 | 7.08 | 55.80 |
| Lot 14 | 20 March 2015 | 63,800 | 6.97 | 79.35 |
| Lot 15 | 26 May 2015 | 40,000 | 7.16 | 84.90 |
| Lot 16 | 28 July 2015 | 50,000 | 7.33 | 117.75 |
| Options outstanding at the end of the year | | **455,850** | **5.96#** | **74.19#** |

* re-priced as per Shareholders' approval on 28 August 2008. Refer above note

# on a weighted average basis.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| Particulars | As at 31 Mar 2018 | As at 31 Mar 2017 | |
|---|---|---|---|
| Date of grant | 24 May 2017 | 23 May 2016 | 24 March 2017 |
| **Number of options granted** | **40,000** | 618,800 | 185,000 |
| Fair value on grant date (₹ per share) | **42.32** | 42.97 | 48.03 |
| Share price at grant date (₹ Per share) | **95.40** | 93.90 | 108.15 |
| Expected volatility (%) | **38.42** | 39.14 | 38.49 |
| Expected life (no. of years) | **5.00** | 5.00 | 5.01 |
| Expected dividends (in %) | **-** | - | - |
| Risk-free interest rate (in %) (based on government bonds) | **6.80** | 7.36 | 6.79 |

**50. Disclosure pursuant to Indian Accounting Standard 19 on "Employee Benefits"**

**Defined contribution plans**

An amount of ₹ 463 lacs (previous year ₹ 275 lacs) and ₹ 5 lacs (previous year ₹ 2 lacs) for the year, have been recognised as expenses in respect of the Company's contributions to Provident Fund and Employee's State Insurance Fund respectively, deposited with the government authorities and have been included under "Employee benefits expenses".

**Defined benefit plans**

Gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act or as per the Company's Scheme, whichever is more beneficial. The gratuity plan is partly funded and the company has made contribution to the recognised funds in India.

**Risk Exposure**

The defined benefit plans are typically based on certain assumptions and expose company to various risk as follows:

a) Salary Risk – Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:

**i) Changes in present value of obligation**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Present value of obligation as at the beginning of the year | **907** | 767 |
| Addition due to business combination | **1,028** | - |
| Interest cost | **104** | 42 |
| Current service cost | **760** | 148 |
| Benefits paid | **(170)** | (33) |
| Actuarial loss/(gain) on obligation | **(124)** | (34) |
| Acquisition adjustment (net) | **-** | 17 |
| Transfer due to Slump sale | **977** | - |
| Present value of obligation as at the end of the year | **1,528** | 907 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**ii) Changes in Fair Value of Plan assets**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Fair Value of Plan assets at the beginning of period | - | - |
| Addition due to business combination | 379 | - |
| Actual return on Plan assets | 9 | - |
| Employer contribution | 122 | - |
| Benefits paid | (135) | - |
| Fair Value of Plan assets as at end of the year | 375 | - |

**iii) Major categories of plan assets**

The Company's plan assets primary comprise of qualifying insurance policies issued by life insurance corporation of India amounting to ₹ 375 lacs (previous year nil) for defined benefit obligation.

**iv) Amount of Provision recognised in Balance sheet**

| Particulars | 31 March 2018 | 31 March 2017 |
|---|---|---|
| Present value of obligation as at end of the year | 1,528 | 907 |
| Fair Value of Plan assets as at end of the year | 375 | - |
| Unfunded Liability/Provision in balance sheet | 1,153 | 907 |
| Short term | 214 | 103 |
| Long term | 939 | 804 |

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Current service cost | 760 | 148 |
| Interest cost on benefit obligation | 104 | 42 |
| | 864 | 190 |

**v) Amount recognised in the Statement of other comprehensive income**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Net actuarial loss/(gain) recognised in the year | (124) | (34) |
| | (124) | (34) |

**vi) The principal assumptions used in determining gratuity for the Company's plans are shown below:**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Discount rate | 7.80% | 7.35% |
| Salary escalation rate (per annum) | 10.00% | 10.00% |
| **Withdrawal rates** | | |
| Age- Upto 30 years | 13% | 13% |
| 31-44 years | 2% | 2% |
| Above 44 years | 1% | 1% |
| Mortality rate | IALM (2006-08) | IALM (2006-08) |

Discount rate: The discount rate is estimated based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.

Salary escalation rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

**vii) Maturity Profile of defined benefit obligation as at 31 March 2018:**

| | Year | Amount |
|---|---|---|
| a) | 0 to 1 Year | 214 |
| b) | 1 to 2 Year | 23 |
| c) | 2 to 3 Year | 47 |
| d) | 3 to 4 Year | 23 |
| e) | 4 to 5 Year | 47 |
| f) | 5 to 6 Year | 60 |
| g) | 6 Year onwards | 1,113 |

**viii) Sensitivity analysis of the defined benefit obligation for significant actuarial assumptions**

| Particulars | As at 31 March 2018 |
|---|---|
| **Impact of the change in discount rate** | |
| Present value of obligation at the end of the year | **1,528** |
| Decrease in liability due to increase of 0.5 % | **100** |
| Increase in liability due to decrease of 0.5 % | **(91)** |
| **Impact of the change in salary escalation rate** | |
| Present value of obligation at the end of the year | **1,528** |
| Increase in liability due to decrease of 0.5 % | **97** |
| Decrease in liability due to increase of 0.5 % | **(89)** |

**Other long term employment benefits**

The liability towards compensated absence for the year ended 31 March 2018 base on the actuarial valuation carried out by using projected unit credit method stood at ₹ 508 lacs (previous year ₹ 331 lacs).

**The principal assumptions used in determining compensated absences are shown below:**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| **Retirement age (years)** | **60** | 60 |
| **Mortality rate** | **IALM (2006-08)** | IALM (2006-08) |
| **Ages** | | |
| Withdrawal rates | | |
| Age- Upto 30 years | **13%** | 13% |
| 31-44 years | **2%** | 2% |
| Above 44 years | **1%** | 1% |
| **Leave** | | |
| Leave availment rate | **3%** | - |
| Leave Lapse rate while in service | **Nil** | - |
| Leave Lapse rate on exit | **Nil** | - |
| Leave encashment rate while in service | **5%** | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

## 51. Financial instruments by category

### A. Fair value hierarchy

The financial assets and liabilities measured at fair value in the statement of financial position are divided in to three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: the fair value of financial instruments that are not traded in active market is determined using valuation technique which maximise the use of observable market data rely as low as possible on entity specific estimate.

Level 3: if one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

### B. Fair value of financial assets measured at fair value through Other Comprehensive Income

| | Level | 31 March 2018 | 31 March 2017 | 1 April 2016 |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Equity shares Dr. Subhash Chandra Foundation** | Level 3 | **0** | 0 | - |

(**The carrying value of ₹ 10 as on 31 March 2018 (previous year ₹ 10), rounded off to ₹ lacs, represents the best estimate of fair value.)

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

| Particulars | Note | 31 March 2018 | | 31 March 2017 | | 1 April 2016 | |
|---|---|---|---|---|---|---|---|
| | | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial assets** | | | | | | | |
| Investment | Level 3 | **32,298** | **32,298** | 30,321 | 30,321 | 29,738 | 29,738 |
| Loans | Level 3 | **11,957** | **11,957** | 8,526 | 8,526 | 6,700 | 6,700 |
| Security deposits | Level 3 | **1,531** | **1,486** | 984 | 984 | 675 | 675 |
| Other financial assets | Level 3 | **275** | **275** | 19 | 19 | 219 | 219 |
| **Total financial assets** | | **46,061** | **46,016** | **39,850** | **39,850** | **37,332** | **37,332** |
| **Financial liabilities** | | | | | | | |
| Borrowings (including interest) | Level 3 | **869** | **869** | - | - | - | - |
| Financial guarantee liability | Level 3 | **780** | **588** | 315 | 315 | 1,239 | 1,239 |
| **Total financial liabilities** | | **1,649** | **1,457** | **315** | **315** | **1,239** | **1,239** |

The above disclosures are presented for non-current financial assets and liabilities. The carrying value of current financial assets and liabilities (cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities) represents the best estimate of fair value.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

## 52. Financial risk management

### A. Financial instruments by category

| Particulars | 31 March 2018 | | | 31 March 2017 | | | 1 April 2016 | | |
|---|---|---|---|---|---|---|---|---|---|
| | FVOCI | FVTPL | Amortised Cost | FVOCI | FVTPL | Amortised Cost | FVOCI | FVTPL | Amortised Cost |
| **Financial assets** | | | | | | | | | |
| Investment | # | - | **32,298** | # | - | 30,321 | - | - | 29,738 |
| Security deposits | - | - | **1,695** | - | - | 2,094 | - | - | 2,074 |
| Trade receivables | - | - | **12,776** | - | - | 8,141 | - | - | 6,415 |
| Cash and cash equivalents | - | - | **26,510** | - | - | 11,969 | - | - | 1,974 |
| Other financial assets | - | - | **355,403** | - | - | 97,531 | - | - | 92,149 |
| **Total financial assets** | - | - | **428,682** | - | - | 150,056 | - | - | 132,350 |
| **Financial liabilities** | | | | | | | | | |
| Borrowings (including interest) | - | - | **14,809** | - | - | - | - | - | - |
| Fianancial guarantee liability | - | - | **1,506** | - | - | 1,346 | - | - | 2,885 |
| Trade payables | - | - | **54,409** | - | - | 11,851 | - | - | 20,521 |
| Other financial liabilities | - | - | **10,943** | - | - | 3,546 | - | - | 3,546 |
| **Total financial liabilities** | - | - | **81,667** | - | - | **16,743** | - | - | **26,952** |

(# ₹ 10)

### B. Risk management

The Company is exposed to various risk in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk.

The Company's risk management is coordinated in close co-operation with the board of directors, and focuses on securing Company's short to medium term cash flows.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in these standalone financial statements.

#### a) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation to the company causing a financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

**Credit risk management**

**Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company continuously monitors defaults of the counterparties and incorporates this information into its credit risk controls.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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, Loans, security deposits, other bank balances and other financial assets | 12 month expected credit loss |
| Moderate credit risk | Trade receivables | 12 month expected credit loss |
| High credit risk | Trade receivables and other financial assets | Life time expected credit loss or fully provided for |

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 March 2018 | 31 March 2017 | 1 April 2016 |
|---|---|---|---|---|
| Low credit risk | Investment, Cash and cash equivalents, Loans, security deposits, other bank balances and other financial assets | 415,906 | 141,915 | 125,935 |
| Moderate credit risk | Trade receivables | 12,776 | 8,141 | 6,415 |
| High credit risk | Trade receivables and other financial assets | 6,956 | 2,135 | 998 |

**Concentration of trade receivables**

The Company has widespread customers and there is no concentration of trade receivables.

**b) Expected credit losses**

The company recognises lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables.

Expected credit loss for trade receivables and other financial assets under simplified approach

**As at 31 March 2018**

| Particulars | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
|---|---|---|---|
| Trade receivables | 15,992 | (3,216) | 12,776 |
| Other financial assets | 359,143 | (3,740) | 355,403 |

**As at 31 March 2017**

| Particulars | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
|---|---|---|---|
| Trade receivables | 9,890 | (1,749) | 8,141 |
| Other financial assets | 97,917 | (386) | 97,531 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**As at 1 April 2016**

| Particulars | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
|---|---|---|---|
| Trade receivables | 7,413 | (998) | 6,415 |

Reconciliation of loss allowance provision – Trade receivable & other financial assets

| Particulars | Carrying amount net of impairment provision |
|---|---|
| **Loss allowance on 1 April 2016** | **(998)** |
| Changes in loss allowance | (1,137) |
| **Loss allowance on 31 March 2017** | **(2,135)** |
| Changes in loss allowance* | (4,821) |
| **Loss allowance on 31 March 2018** | **(6,956)** |

* Includes ₹ 672 lacs assumed in business combination (refer note 41)

c) **Liquidity risk**

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each balance sheet date. Long- term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through funding commitments from shareholders.

d) **Financing arrangements**

| **Fixed rate** | **31 March 2018** |
|---|---|
| Expiring within one year (cash credit and other facilities-Fixed rate) | **16,857** |
| Expiring beyond one year (loans) | **-** |
| | **16,857** |

e) **Maturity of financial liabilities**

| **31 March 2018** | Less than 1 year ₹ In lacs | 1 to 5 years ₹ In lacs | Later than 5 years ₹ In lacs | Total ₹ In lacs |
|---|---|---|---|---|
| Borrowings | 13,940 | 869 | - | **14,809** |
| Trade payable | 54,409 | - | - | **54,409** |
| Financial guarantee liability | 726 | 780 | - | **1,506** |
| Other financial liabilities | 10,943 | - | - | **10,943** |

| **31 March 2017** | Less than 1 year ₹ In lacs | 1 to 5 years ₹ In lacs | Later than 5 years ₹ In lacs | Total ₹ In lacs |
|---|---|---|---|---|
| Trade payable | 11,851 | - | - | **11,851** |
| Financial guarantee liability | 1,031 | 315 | - | **1,346** |
| Other financial liabilities | 3,545 | - | - | **3,545** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| 1 April 2016 | Less than 1 year ₹ In lacs | 1 to 5 years ₹ In lacs | Later than 5 years ₹ In lacs | Total ₹ In lacs |
|---|---|---|---|---|
| Trade payable | 20,521 | - | - | **20,521** |
| Financial guarantee liability | 1,646 | 1,239 | - | **2,885** |
| Other financial liabilities | 3,546 | - | - | **3,546** |

f) **Market Risk**

i. **Foreign currency risk**

The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

**₹ in Lacs**

| Particulars | As at 31 March 2018 | | |
|---|---|---|---|
| | Currency type | | |
| | AUD | EURO | USD |
| Loans & advances recoverable | 1 | 478 | 13,582 |
| Trade receivable | - | - | 33 |
| **Financial assets (A)** | **1** | **478** | **13,615** |
| Advances/deposits received | - | - | 57 |
| Trade payables | 1 | 3,737 | 1,953 |
| **Financial liabilities (B)** | **1** | **3,737** | **2,010** |
| **Net exposure (A-B)** | **-** | **(3,259)** | **11,605** |

| Particulars | As at 31 March 2017 | | |
|---|---|---|---|
| | Currency type | | |
| | AUD | EURO | USD |
| Balances with bank | - | - | 271 |
| Loans & advances recoverable | 1 | - | 8,529 |
| Trade receivable | - | - | 4,044 |
| **Financial assets (A)** | **1** | **-** | **12,844** |
| Advances/deposits received | - | - | 57 |
| Trade payables | - | 3,435 | 81 |
| **Financial liabilities (B)** | **-** | **3,435** | **138** |
| **Net exposure (A-B)** | **1** | **(3,435)** | **12,706** |

| Particulars | As at 1 April 2016 | | |
|---|---|---|---|
| | Currency type | | |
| | AUD | EURO | USD |
| Balances with bank | - | - | 12,525 |
| Loans & advances recoverable | 1 | 66 | 6,748 |
| Trade receivable | - | - | 4,102 |
| **Financial assets (A)** | **1** | **66** | **23,375** |
| Advances/ deposits received | - | - | 58 |
| Trade payables | - | - | 8,118 |
| **Financial liabilities (B)** | **-** | **-** | **8,176** |
| **Net exposure (A-B)** | **1** | **66** | **15,199** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| | As at 31 March 2018 | | |
|---|---|---|---|
| | Currency type | | |
| | AUD | EURO | USD |
| Foreign exchange rate increased by 5% (previous year 5%) | - | (163) | 580 |
| Foreign exchange rate decreased by 5% (previous year 5%) | - | 163 | (580) |

| | As at 31 March 2017 | | |
|---|---|---|---|
| | Currency type | | |
| | AUD | EURO | USD |
| Foreign exchange rate increased by 5% (previous year 5%) | - | (172) | 635 |
| Foreign exchange rate decreased by 5% (previous year 5%) | - | 172 | (635) |

**ii. Interest rate risk**

**Liabilities**

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

| Particulars | 31 March 2018 |
|---|---|
| Fixed rate borrowings | **14,809** |
| **Total borrowings** | **14,809** |

**b) Sensitivity**

The Company has only fixed rate borrowing and same are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rate.

**Assets**

The company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

**iii. Price risk**

The exposure to price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

Further the company is not exposed to any price risk as none of the equity securities held by the company are classified as fair value through profit and loss or fair value through OCI.

**53. Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

As at 31 March, 2018, the Company has only one class of equity shares and has reasonable debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

The gearing ratios were as follows:

| **Particulars** | **31 March 2018** |
|---|---|
| Net debt | **14,809** |
| Total equity | **673,205** |
| **Net debt to equity ratio** | **0.02** |

The company has not declared dividend in current year and in previous year

**54. Taxation**

| **Particulars** | **For the year ended 31 March 2018** | **For the year ended 31 March 2017** |
|---|---|---|
| **Income tax recognised in statement of profit and loss** | | |
| Current tax expense (including earlier years) | **(196)** | 8,529 |
| Deferred tax (including earlier years) | **(8,785)** | 475 |
| **Total income tax expense recognised in the current year for continuing operations** | **(8,981)** | 9,004 |
| Tax expense of discontinued operations | **10,440** | - |
| **Total income tax expense recognised in the current year for continuing & discontinued operations** | **1,459** | 9,004 |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 34.608% and the reported tax expense in statement of profit or loss are as follows:

| **Particulars** | **For the year ended 31 March 2018** | **For the year ended 31 March 2017** |
|---|---|---|
| **Income Tax recognised in Statement of Profit and Loss** | | |
| Profit Before Tax | | |
| - Continuing operations | **(14,193)** | 25,793 |
| - Discontinued operations | **18,986** | - |
| **Profit before income tax from continuing and discontinued operations** | **4,793** | 25,793 |
| Income tax using company's domestic tax rate* | **34.608%** | 34.608% |
| **Expected tax expense (A)** | **1,659** | 8,926 |
| **Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense** | | |
| Tax impact of expenses on account of permanent differences | **131** | 405 |
| Adjustments in respect of capital gain tax rate | **(235)** | (67) |
| Tax pertaining to prior years | **(63)** | (260) |
| Others | **(33)** | - |
| **Total Adjustments (B)** | **(200)** | 78 |
| **Total Income tax expense** | **1,459** | **9,004** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

* Domestic tax rate applicable to the Company has been computed as follows:

| | | |
|---|---|---|
| Basic tax rate | 30.00% | 30.00% |
| Surcharge (% of Tax) | 12.00% | 12.00% |
| Cess (% of tax) | 3.00% | 3.00% |
| Applicable rate | 34.608% | 34.608% |

**55. Related party disclosures**

**a) Related parties where control exists:**

**Subsidiary companies:**

Dish T V Lanka (Private) Limited.

Dish Infra Services Private Limited (formerly known as Xingmedia Distribution Private Limited)

**Joint Venture:**

C&S Medianet Private Limited

**b) Other related parties with whom the Company had transactions:**

| | |
|---|---|
| **Key management personnel (KMP)** | Mr. Jawahar Lal Goel<br>Mr. Ashok Kurien<br>Dr. Rashmi Aggarwal<br>Mr. B. D. Narang<br>Mr. Arun Duggal<br>Mr. Laxmi Chand (up to 17 August 2017)<br>Mr. Anil Dua (w.e.f. 17 May 2017)<br>Mr. Rajeev Dalmia<br>Mr. Ranjit Singh<br>Mr. Arun Kapoor (up to 15 May 2017) |
| **Relative of key management personnel** | Mr. Gaurav Goel |
| **Enterprises over which key management personnel/ their relatives have significant influence** | ATL Media Limited (Formerly known as Asia Today Limited)<br>Cyquator Media Services Private Limited (referred to as Cyquator)<br>Diligent Media Corporation Limited<br>E-City Property Management & Services Private Limited<br>E-City Bioscope Entertainment Private Limited<br>Essel Corporate Resources Private Limited<br>ITZ Cash Card Limited<br>Interactive Financial & Trading Services Private Limited<br>Media Pro Enterprise India Private Limited<br>Maurya TV Private Limited<br>PAN India Network Infravest Limited (formerly known as PAN India Network Infravest Private Limited)<br>Sarthak Entertainment Pvt. Ltd.<br>Living Entertainment Enterprises Limited<br>Living Entertainment Limited<br>Rama Associates Limited<br>Essel Business Excellence Services Limited<br>Siti Networks Limited<br>Zee Akaash News Private Limited<br>ZEE Digital Convergence Limited<br>Zee Entertainment Enterprises Limited<br>ZEE Media Corporation Limited (formerly known as Zee News Limited) |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

c) **Transactions during the year with related parties:**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| **(i) With key management personnel** | | |
| Salaries, wages and bonus | **1,080** | 820 |
| Post-employment benefits | **57** | 47 |
| Sitting Fee | **17** | 20 |
| **(ii) Remuneration to KMP relative** | | |
| Salaries, wages and bonus | **107** | 113 |
| Post-employment benefits | **6** | 6 |
| **(iii) With subsidiary companies** | | |
| **Interest received** | | |
| Dish T V Lanka (Private) Limited | **1,184** | 753 |
| **Revenue from operations and other income (net of Taxes)** | | |
| Dish Infra Services Private Limited | **3,120** | 3,120 |
| **Purchase of goods & services** | | |
| Dish Infra Services Private Limited | **3,600** | 3,600 |
| **Sale of assets and liability (net consideration)** | | |
| Dish Infra Services Private Limited | **201,940** | - |
| **Sale of Property, plant & equipments** | | |
| Dish T V Lanka (Private) Limited | **-** | 11 |
| **Reimbursement of expenses paid** | | |
| Dish Infra Services Private Limited | **6,491** | 7,951 |
| **Loans(Current/Non Current) given** | | |
| Dish T V Lanka (Private) Limited | **3,326** | 1,615 |
| **Allowance for Expected Credit Loss** | | |
| Dish T V Lanka (Private) Limited | **1,184** | 386 |
| **Amount received against other recoverable balance** | | |
| Dish Infra Services Private Limited | **7,417** | 9,734 |
| **Collection on behalf of Company (net)** | | |
| Dish Infra Services Private Limited | **177,831** | 215,746 |
| **Remittance received out of collections on behalf of Company (net)** | | |
| Dish Infra Services Private Limited | **132,737** | 190,681 |
| **Corporate Gurantees given/(surendered) on behalf of** | | |
| Dish Infra Services Private Limited (net) | **(28,272)** | 44,627 |
| **Corporate Gurantees income** | | |
| Dish Infra Services Private Limited | **1,802** | 2,117 |
| ESOP expenses charged to investment | | |
| Dish Infra Services Private Limited | **16** | 4 |
| **(iv) With other related parties:** | | |
| **Revenue from operations and other income (net of taxes)** | | |
| Zee Entertainment Enterprises Limited | **1,388** | 1,339 |
| ZEE Media Corporation Limited | **1,081** | 1,079 |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| Zee Akaash News Private Limited | **216** | 225 |
| Siti Networks Limited | **156** | 312 |
| Other related parties | **238** | 205 |
| **Purchase of goods and services** | | |
| Zee Entertainment Enterprises Limited | **29,658** | 17,859 |
| Taj Television (India) Private Limited | **-** | 3,648 |
| **Other related parties** | **1,908** | 1,880 |
| **Rent paid** | | |
| Zee Entertainment Enterprises Limited | **190** | 158 |
| Essel Corporate Resources Private Limited<br># ₹ 30,000 | **#** | - |
| Rama Associates Limited | **36** | 48 |
| **Reimbursement of expenses paid** | | |
| Zee Entertainment Enterprises Limited | **413** | 322 |
| E-City Bioscope Entertainment Private Limited | **4** | 58 |
| **Investment in equity shares** | | |
| C&S Medianet Private Limited | **-** | @ |
| (@ ₹ 48,000) | | |
| **Advances made** | | |
| ITZ Cash Card Limited | **-** | - |
| Cyquator | **-** | 1 |
| E-City Bioscope Entertainment Private Limited<br>(** ₹ 28,554) | **-** | ** |
| Essel Corporate Resources Private Limited | **-** | 4 |
| C&S Medianet Private Limited | **30** | - |
| **Others related parties** | **-** | ## |
| (## ₹ 8,204) | | |
| **Refunds received against advances made** | | |
| ITZ Cash Card Limited | **-** | ^ |
| (^ ₹ 1,820) | | |
| Cyquator | **#** | 1 |
| (# ₹ 18,172) | | |
| Essel Corporate Resources Private Limited | **4** | |
| **Others Related Parties** | **-** | $ |
| ($ ₹ 6,687) | | |
| **Refunds received against against Security Deposit** | | |
| Rama Associates Limited | **1,000** | - |
| **Purchase of Fixed Assets** | | |
| ZEE Media Corporation Limited | **2** | - |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**d) Balances at the year end:**

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|
| **With subsidiary companies:** | | |
| **Investments** | | |
| Dish T V Lanka (Private) Limited | **3** | 3 |
| Dish Infra Services Private Limited | **11,801** | 11,801 |
| **Equity portion of corporate guarantee given and share based payment** | | |
| Dish Infra Services Private Limited | **5,494** | 3,516 |
| **Deposits-Current** | | |
| Dish T V Lanka (Private) Limited | **57** | 57 |
| **Loans** | | |
| Dish T V Lanka (Private) Limited | **13,527** | 8,912 |
| **Allowance for Expected Credit Loss** | | |
| Dish T V Lanka (Private) Limited | **1,570** | 386 |
| **Amount recoverable** | | |
| Dish Infra Services Private Limited | **314,826** | 73,912 |
| Corporate Guarantees on behalf of | | |
| Dish Infra Services Private Limited (net) | **250,438** | 278,710 |
| **With other related parties:** | | |
| **Advances** | | |
| Interactive Financial & Trading Services Private Limited | **1** | 1 |
| E-City Bioscope Entertainment Private Limited | **9** | 13 |
| C&S Medianet Private Limited | **30** | |
| Essel Corporate Resources Private Limited | **-** | 3 |
| Cyquator | **-** | # |
| (# ₹ 18,172) | | |
| Media Pro Enterprise India Private Limited | **15** | - |
| **Security deposit given** | | |
| Zee Entertainment Enterprises Limited | **54** | 54 |
| Rama Associates Limited | **-** | 1,000 |
| Essel Business Excellence Services Limited | **433** | 433 |
| **Trade payables (including provisions)** | | |
| Zee Entertainment Enterprises Limited | **2,551** | 422 |
| Essel Business Excellence Services Limited | **84** | 110 |
| Other related parties | **261** | 336 |
| **Trade receivables** | | |
| ATL Media Limited | **52** | 115 |
| ZEE Media Corporation Limited | **1,182** | 1,027 |
| Zee Entertainment Enterprises Limited | **547** | 342 |
| Zee Akaash News Private Limited | **96** | 59 |
| SITI Networks Limited | **167** | 328 |
| Others related parties | **77** | 21 |

**Note**

As referred in Note 27, pending completion of documentation in the records of the lenders, pesonal guarantee of promoters of the transferor company (holding shares though entities disclosed under note 21(d)(iii) to (vi) exist as at 31 March 2018.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**56. Leases**

**a) Obligation on operating lease:-**

The Company's significant leasing arrangements are in respect of operating leases taken for offices, residential premises, transponder, etc. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessee and the lessor. The initial tenure of the lease generally is for 11 months to 73 years. The details of assets taken on operating leases during the year are as under:

| Particulars | For the year ended 31 March 2018 | 31 March 2017 |
|---|---|---|
| Lease rental charges during the year* | **25,264** | 16,987 |
| Sub-lease rental Income (being shared cost) | **877** | 898 |

* Amount includes ₹ 318 lacs related to discontinued operation

**b) Assets given under operating lease**

Pursuant to merger of company with Videocon D2H, the company acquired certain assets which were leased out by way of operating lease. These were further transferred to Dish Infra services private limited by way of business transfer agreement.

The lease rental income recognised during the year in respect of non-cancellable operating leases are as follows:

| Particulars | For the year ended 31 March 2018 |
|---|---|
| Lease rental income recognised during the year* | **11,953** |

* The income form part of discontinued operation

**57. a)** The Company has been making payment of license fee to the Ministry of Information and Broadcasting considering the present legal understanding. However, in view of the ongoing dispute (refer note (b) below), the Company has recognised provision considering the terms and conditions of the License given by the Regulatory Authority.-

**Provision for regulatory dues (including interest)**

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|---|---|---|
| Opening provision | **139,740** | 119,271 |
| Add: addition on account of business combination | **114,360** | - |
| Add: created during the year | **50,392** | 30,415 |
| Less: payment during the year | **25,964** | 9,946 |
| **Closing provision** | **278,528** | **139,740** |

The outflow of economic benefits with regard to the disputed portion would be dependent on the final decision by the Regulatory Authority. Presently, it has been classified under the 'Provisions (Current'

**b)** The Company has filed Petition (205(C) of 2014) before the Hon'ble Telecom Disputes Settlement & Appellate Tribunal (TDSAT) against Union of India challenging the propriety and legality of the demand of ₹ 62,420 lacs including interest of ₹ 15,967 lacs raised by the Ministry of Information and Broadcasting (MIB) by way of a demand letter dated 19 March 2014 towards alleged short payment of license fee for the period 2003-2004 to 2012-2013. The matter is pending before the TDSAT.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Further pursuant to scheme of merger, Company has assumed deemed liability of ₹ 13,104 lacs including interest of ₹ 2,724 lacs which was raised by the MIB on transferor company by way of demand letter dated 24 March 2014 towards alleged short payment of license fee for the period 2009-10 to 2012-13. Transferor company had filed petition (204(C) of 2014) before the TDSAT against Union of India challenging the propriety and legality of the demand. The matter is pending before the TDSAT

**58. Auditors' remuneration**

| **Particulars** | **For the year ended 31 March 2018** | **For the year ended 31 March 2017** |
|---|---|---|
| As auditors | | |
| - Statutory audit and limited review of quarterly results | **127** | 67 |
| - Certifications | **5** | 8 |
| - Reimbursement of expenses | **2** | 4 |
| **Total** | **134** | **79** |

**59. Earnings per share**

**Continuing Operation**

**a) Basic earnings per share**

| **Particulars** | **For the year ended 31 March 2018** | **For the year ended 31 March 2017** |
|---|---|---|
| Profit for the year attributable to equity shareholders (A) | **(5,212)** | 16,789 |
| Weighted average number of equity shares (B) | **1,078,734,351** | 1,065,899,406 |
| Nominal value of equity share (in ₹) | **1** | 1 |
| **Basic earnings per share (in ₹) (A/B)** | **(0.48)** | **1.57** |

**b) Diluted earnings per share**

| **Particulars** | **For the year ended 31 March 2018** | **For the year ended 31 March 2017** |
|---|---|---|
| Profit for the year attributable to equity shareholders | **(5,212)** | 16,789 |
| Net profit adjusted for diluted earning per share (A) | **(5,212)** | 16,789 |
| Weighted average number of equity and potential equity shares (nos.) (B) | **1,078,819,630** | 1,065,938,279 |
| Nominal value of equity share (in ₹) | **1** | **1** |
| **Diluted earnings per share (in ₹) (A/B)** | **(0.48)** | **1.57** |

**Discontinued Operation**

**c) Basic earnings per share**

| **Particulars** | **For the year ended 31 March 2018** | **For the year ended 31 March 2017** |
|---|---|---|
| Profit for the year attributable to equity shareholders (A) | **8,546** | - |
| Weighted average number of equity shares (B) | **1,078,734,351** | - |
| Nominal value of equity share (in ₹) | **1** | - |
| **Basic earnings per share (in ₹) (A/B)** | **0.79** | **-** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**d) Diluted earnings per share**

| Particulars | For the year ended 31 March 2018 | 31 March 2017 |
|---|---|---|
| Profit for the year attributable to equity shareholders | **8,546** | - |
| Net profit adjusted for diluted earning per share (A) | **8,546** | - |
| Weighted average number of equity and potential equity shares (nos.) (B) | **1,078,819,630** | - |
| Nominal value of equity share (in ₹) | **1** | **-** |
| **Diluted earnings per share (in ₹) (A/B)** | **0.79** | **-** |

**Combined Operation**

**e) Basic earnings per share**

| Particulars | For the year ended 31 March 2018 | 31 March 2017 |
|---|---|---|
| Profit for the year attributable to equity shareholders (A) | **3,334** | 16,789 |
| Weighted average number of equity shares (B) | **1,078,734,351** | 1,065,899,406 |
| Nominal value of equity share (in ₹) | **1** | 1 |
| **Basic earnings per share (in ₹) (A/B)** | **0.31** | **1.57** |

**f) Diluted earnings per share**

| Particulars | For the year ended 31 March 2018 | 31 March 2017 |
|---|---|---|
| Profit for the year attributable to equity shareholders | **3,334** | 16,789 |
| Net profit adjusted for diluted earning per share (A) | **3,334** | 16,789 |
| Weighted average number of equity and potential equity shares (nos.) (B) | **1,078,819,630** | 1,065,938,279 |
| Nominal value of equity share (in ₹) | **1** | **1** |
| **Diluted earnings per share (in ₹) (A/B)** | **0.31** | **1.57** |

**60. Rights issue**

The Company during the financial year ended 31 March 2009 issued 518,149,592 equity shares of ₹ 1 each at a premium of ₹ 21 per share for cash to the existing equity shareholders on the record date. The terms of payment were as under:

| Particulars | Total amount due (per share) | Towards face value (per share) | Towards securities premium (per share) | Total amount | Due on (from the date of allotment, at the option of the Company) | Date of making the Call |
|---|---|---|---|---|---|---|
| | (₹) | (₹) | (₹) | (in ₹ lacs) | | |
| On application | 6.00 | 0.50 | 5.50 | 31,089 | Along with application | Not applicable |
| On first call | 8.00 | 0.25 | 7.75 | 41,452 | After 3 months but within 9 months | The Board at its meeting held on 18 June 2009 decided to make the First Call, payable on or before 31 July 2009* |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

| Particulars | Total amount due (per share) | Towards face value (per share) | Towards securities premium (per share) | Total amount | Due on (from the date of allotment, at the option of the Company) | Date of making the Call |
|---|---|---|---|---|---|---|
| | (₹) | (₹) | (₹) | (in ₹ lacs) | | |
| On second and final call | 8.00 | 0.25 | 7.75 | 41,452 | After 9 months but within 18 months | The Board at its meeting held on 22 January 2010 decided to make the Second and Final Call, payable on or before 1 March 2010* |
| **Total** | **22 .00** | **1.00** | **21.00** | **113,993** | | |

* Shareholders are entitled to make the call payment after due date with simple interest @ 8% p.a.

Upto the financial year ended 31 March 2018, the Company has received ₹ 31,089 lacs (previous year ₹ 31,089 lacs) towards the application money on 518,149,592 (previous year 518,149,592) equity shares issued on Rights basis; ₹ 41,450 lacs (previous year ₹ 41,450 lacs) towards the first call money on 518,130,477 (previous year 518,130,477) equity shares; and ₹ 41,450 lacs (previous years ₹ 41,450 lacs) towards the second and final call money on 518,115,910 (previous year 518,115,215) equity shares.

The Company has also received ₹ 0.42 Lacs (previous year ₹ 0.42 lacs) towards first call and/ or second and final call. Pending completion of corporate action, the amount has been recorded as "money received against partly paid up shares" under 'Other Equity'.

The utilisation of Rights Issue proceeds have been in accordance with the revised manner of usage of Rights Issue proceeds, as approved by the Board of Directors of the Company, in their meeting held on 28 May 2009. The utilisation of the Rights Issue proceeds as per the revised usage aggregating to ₹ 113,989 lacs (previous year ₹ 113,989 lacs) is as under.

The details of utilisation of Rights Issue proceeds by the Company, on an overall basis, are as below:

| Particulars | Up to 31 March 2018 | Up to 31 March 2017 |
|---|---|---|
| **Amount utilized** | | |
| Repayment of loans | **28,421** | 28,421 |
| Repayment of loans, received after right issue launch | **24,300** | 24,300 |
| General corporate purpose/ operational expenses | **34,723** | 34,723 |
| Acquisition of Consumer Premises Equipment (CPE) | **26,000** | 26,000 |
| Right issue expenses | **545** | 545 |
| **Total money utilized** | **113,989** | 113,989 |

61. **Issue of Global Depository Receipts (GDR Issue):**

Pursuant to the approvals obtained by the Company and in accordance with the applicable laws including the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipts Mechanism) Scheme, 1993, as amended, the Global Depository Receipt (GDR) Offer of the Company for 117,035 GDRs opened for subscription on 23 November 2009 at a price of US $ 854.50 per GDR, each GDR representing 1000 fully paid equity shares. The pricing of the GDR, as per the pricing formula prescribed under Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Mechanism) Scheme, 1993, as amended, was ₹ 39.80 per fully paid equity share and the relevant date for this purpose was 23 November 2009.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Upon opening, the GDR issue for USD 1,000 lacs (approx.) was fully subscribed and the Company received USD 1,000 lacs (approx.), towards the subscription money. The Issue Committee of the Board at its meeting held on 30 November 2009, issued and allotted 117,035,000 fully paid equity shares @ ₹ 39.80 per fully paid equity share to M/s Deutsche Bank Trust Company Americas (being the depository) in lieu of the GDR issued. The GDR's were listed at the Luxembourg Stock Exchange.

During the year ended 31 March 2013, 32,000 GDRs were cancelled and converted in to 32,000,000 equity shares of ₹ 1 each by the holder and during the year ended 31 March 2016, 85,035 GDRs were sold in the domestic market and converted into 85,035,000 equity shares of ₹ 1 each by the holder and accordingly GDR outstanding thereafter are nil.

The detail of utilisation of GDR proceeds by the Company, on an overall basis, is as below:-

| Particulars | Up to 31 March 2018 | Up to 31 March 2017 | Up to 1 April 2016 |
|---|---|---|---|
| **Amount utilised** | | | |
| Acquisition of fixed assets including CPEs | **7,670** | 7,670 | 7,670 |
| GDR issue expenses | **345** | 345 | 345 |
| Advance against share application money given to subsidiaries | **56** | 56 | 56 |
| Repayment of bank loan | **755** | 755 | 755 |
| Operational expenses including interest payments, bank charges and exchange fluctuation | **51,369** | 51,101 | 38,459 |
| **Total (A)** | **60,195** | **59,927** | **47,285** |
| **Unutilised amount lying with:** | | | |
| Balance with bank in fixed deposit in foreign currency | **-** | **271** | **12,525** |
| **Total (B)** | **-** | **271** | **12,525** |
| **Total (A+B)** | **60,195** | **60,198** | **59,810** |

Also, refer footnote 1 to note 21(d) related to issue of global depository receipts pursuant to the scheme of amalgamation.

**62. Contingent liabilities, litigations and commitments**

**a) Claims against the Company (including unasserted claims) not acknowledged as debt:**

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Income-tax | **932** | 313 | 362 |
| Sales tax, Value Added tax and Entry tax | **38,638** | 4,183 | 4,581 |
| Customs duty | **-** | - | 795 |
| Service tax* | **18,781** | 7,195 | 7,195 |
| Wealth tax | **1** | 1 | 2 |
| Entertainment tax | **23,589** | 14,319 | 11,069 |
| Other claims | **60** | 60 | 489 |

* Penalty, if any, levied on conclusion of this matter is currently not ascertainable

Other than above, the Company has certain litigations involving customers and based on the legal advise of in-house legal team, the management believe that no material liability will devolve on the Company in respect of these litigations.

**Income tax**

In earlier years, the Company had received demand notices for Tax Deducted at Source ('TDS') and interest thereon amounting to ₹ 760 lacs (excluding penalty levied amounting ₹ 16 lacs) relating to matters pertaining to alleged short deduction of tax at source on certain payments for the assessment years

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

2009-10 to 2013-14. In respect of the demand received the Company had made payment under protest of ₹ 726 lacs out of which ₹ 39 lacs had been paid in the year ended 31 March 2017 and remaining was paid in the previous years. Further, the amount paid under protest, as a matter of abandoned caution, based on management estimate has been provided for in the books. Accordingly, the remaining amount ₹ 34 lacs has been included under the head contingent liabilities above. However, the Company has disputed all these matters and filed appeal against the above said demands with the tax authorities.

During the year, contingent liability on account of demand notices for TDS and interest there amounting ₹ 619 lacs (net of provision of ₹ 125 lacs, amount paid under protest) is assumed by the Company as part of the merger with Videocon d2h Limited.

Further, for the assessment year 2004-05, in an income tax case of Siti Cable Network Limited (a unit of which was merged with the Company), demand under section 271(1)(c) amounting ₹ 263 lacs on account of additions of loans and advances and bandwidth charges has been raised by assessing officer vide order dated 29 March 2016. The Company has preferred an appeal before higher appellate authorities on 29 April 2016 and same is pending for disposal.

**Sales tax, value added tax, entry tax, service tax, entertainment tax and other claims**

The Company has received notices / assessment orders in relation to applicability of above-mentioned taxes. The Company has contested these notices at various Appellate Forums / Courts and the matter is subjudice. Further, Company has assumed the contingent liability in relation to above-mentioned taxes as part of the merger with Videocon d2h Limited.

Based on the advice from independent tax experts, and development on the appeals, the Company is confident that the additional tax so demanded will not be sustained on the completion of appellate proceedings and accordingly, pending the decisions by the appellate authorities, no provision has been made in these financial statements.

**b) Guarantees**

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Guarantee issued by the Company on behalf of: | | | |
| Dish Infra Service Private Limited | **250,438** | 278,710 | 234,083 |

**c) Commitments**

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account(net of advances) | **3,597** | 2,759 | 203 |

**d) Others**

i) In August 2016, the Hon'ble Delhi High Court (HC) passed an order restraining the Company from operation in MENA (Middle East and North Africa) region, on a plea brought by the UAE-based company Gulf DTH FZ LLC, about copyright infringement by Dish TV in the region. An application for interim stay filed by Gulf DTH FZ LLC has been allowed by the Single Judge Bench of High Court vide its order dated 30 August 2016 which was further confirmed by Division Bench of Hon'ble High Court. The Company has filed appeals against the said order and same is pending for disposal. Based on management's assessment and independent expert's advice, the Company believes no significant claim will devolve upon the Company and no provision has been recognised.

ii) In terms of the letter dated 31 March 2017 of the Ministry of Information & Broadcasting, Government of India (MIB), the DTH license of the Company was valid upto 31 December 2017 or till the date of notification of 'New DTH guidelines', whichever is earlier, under the terms and conditions mentioned in the said letter. The Company has submitted a letter to the MIB for the DTH License and is awaiting the communication from MIB.

iii) The Directorate of Revenue Intelligence (DRI), Bangalore, u/s 108 of the Custom Act, 1962, is inquiring about the classification of viewing cards for applicability of customs duty. Whilst no demand has been received so far, the Company has, suo-moto, paid ₹ 600 lacs under protest. The management believes that no liability will devolve on the Company.

**63. First time adoption of Ind AS**

**Transition to Ind AS**

These are the Company's first standalone financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS standalone balance sheet at 1 April 2016 (the date of transition). In preparing its opening Ind AS standalone balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**Use of deemed cost for property, plant and equipment and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**Use of deemed cost for investments in subsidiaries and jointly ventures**

The balance of the investment in subsidiaries and jointly controlled entities at the date of transition to Ind AS, determined in accordance with the previous GAAP as the deemed cost of the investment at initial recognition.

**Exchange differences on long-term foreign currency monetary items**

Under previous GAAP, the company applied paragraph 46A of AS 11 whereby exchange differences arising from translation of long-term foreign currency monetary items were capitalized/ deferred. On transition to Ind AS first time adopter is permitted to continue policy adopted for accounting for such exchange differences recognised in the previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

Under previous GAAP foreign exchange gain/ loss on long term foreign currency monetary items recognized upto 31 March, 2016 has been deferred/ capitalized. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

a depreciable asset are amortised over the remaining useful lives of the assets. From accounting periods commencing on or after April 01, 2017, exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post April 01, 2017, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss.

**B. Ind AS mandatory exceptions**

**Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP

Investment in equity instruments carried at FVTPL or FVOCI.
Impairment of financial assets based on expected credit loss model.

**Classification and measurement of financial assets and liabilities**

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when an entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

a) The effects of the retrospective application or retrospective restatement are not determinable;

b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

**C. Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Reconciliation of previous GAAP and Ind AS impact for Balance Sheet (1 April 2016)**

| Particulars | Note reference | Previous GAAP (refer note A) | IND AS Adjustments | Ind AS |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | Note 1 | 22,824 | - | 22,824 |
| Capital work-in-progress | | 3,303 | - | 3,303 |
| Other intangible assets | | 804 | - | 804 |
| Financial assets | | | | |
| Investments | Note 2 | 26,804 | 2,934 | 29,738 |
| Loans | Note 9 | 7,486 | (111) | 7,375 |
| Other financial assets | | 219 | - | 219 |
| Deferred Tax Assets (net) | Note 3 | 4,540 | 324 | 4,864 |
| Current Tax Assets (net) | | 4,146 | - | 4,146 |
| Other non-current assets | Note 9 | 3,258 | 62 | 3,320 |
| | | **73,384** | **3,209** | **76,593** |
| **Current assets** | | | | |
| Financial Assets | | | | |
| Trade receivable | | 6,415 | - | 6,415 |
| Cash and cash equivalents | | 1,974 | - | 1,974 |
| Other bank balances | | 22,534 | - | 22,534 |
| Loans | | 1,399 | - | 1,399 |
| Other financial assets | | 62,696 | - | 62,696 |
| Other current assets | Note 9 | 5,729 | 41 | 5,770 |
| | | **100,747** | **41** | **100,788** |
| **Total Assets** | | **174,131** | **3,250** | **177,381** |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| Equity Share Capital | | 10,659 | - | 10,659 |
| Other Equity | Note 4 | 319 | (195) | 124 |
| | | **10,978** | **(195)** | **10,783** |
| **LIABILITIES** | | | | |
| **Non-current liabilities** | | | | |
| Financial liabilities | | | | |
| Other financial liabilities | Note 2 | - | 1,239 | 1,239 |
| Provisions | Note 6 | 754 | 238 | 992 |
| Other non-current liabilities | | 1,054 | - | 1,054 |
| | | **1,808** | **1,477** | **3,285** |
| **Current liabilities** | | | | |
| Financial liabilities | | | | |
| Trade payables | Note 6 | 20,199 | 322 | 20,521 |
| Other financial liabilities | Note 2 | 3,546 | 1,646 | 5,192 |
| Other current liabilities | | 18,291 | - | 18,291 |
| Provisions | | 119,309 | - | 119,309 |
| | | **161,345** | **1,968** | **163,313** |
| **Total equity and liabilities** | | **174,131** | **3,250** | **177,381** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Reconciliation of previous GAAP and Ind AS impact for Balance Sheet (31 March 2017)**

| Particulars | Note reference | Previous GAAP (refer note A) | IND AS Adjustments | Ind AS |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | Note 1 | 27,645 | - | 27,645 |
| Capital work-in-progress | | 2,210 | - | 2,210 |
| Other Intangible Assets | | 1,128 | - | 1,128 |
| Financial Assets | | | | |
| Investments | Note 2 | 26,804 | 3,517 | 30,321 |
| Loans | Note 9 | 9,639 | (129) | 9,510 |
| Other financial assets | | 19 | - | 19 |
| Deferred Tax Assets (net) | Note 3 | 4,719 | (342) | 4,377 |
| Current Tax Assets (net) | | 3,835 | - | 3,835 |
| Other non-current assets | Note 9 | 5,267 | 61 | 5,328 |
| | | **81,266** | **3,107** | **84,373** |
| **Current assets** | | | | |
| Inventories | | | | |
| Financial Assets | | | | |
| Trade receivable | | 8,141 | - | 8,141 |
| Cash and cash equivalents | | 11,969 | - | 11,969 |
| Other bank balances | | 10,955 | - | 10,955 |
| Loans | | 1,110 | - | 1,110 |
| Other financial assets | | 78,031 | - | 78,031 |
| Other current assets | Note 9 | 6,626 | 58 | 6,684 |
| | | **116,832** | **58** | **116,890** |
| **Total Assets** | | **198,098** | **3,165** | **201,263** |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| Equity Share Capital | | 10,659 | - | 10,659 |
| Other Equity | Note 4 | 16,648 | 448 | 17,096 |
| | | **27,307** | **448** | **27,755** |
| **LIABILITIES** | | | | |
| **Non-current liabilities** | | | | |
| Financial liabilities | | | | |
| Other financial liabilities | Note 2 | - | 315 | 315 |
| Provisions | | 1,088 | - | 1,088 |
| Other non-current liabilities | | 1,295 | - | 1,295 |
| | | **2,383** | **315** | **2,698** |
| **Current liabilities** | | | | |
| Financial liabilities | | | | |
| Trade payables | Note 6 | 10,480 | 1,371 | 11,851 |
| Other financial liabilities | Note 2 | 3,546 | 1,031 | 4,577 |
| Other current liabilities | | 14,492 | - | 14,492 |
| Provisions | | 139,890 | - | 139,890 |
| | | **168,408** | **2,402** | **170,810** |
| **Total equity and liabilities** | | **198,098** | **3,165** | **201,263** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Reconciliation of previous GAAP and Ind AS impact of comprehensive income for the year ended 31 March 2017.**

| Particulars | Note reference | Previous GAAP (refer note A) | IND AS Adjustments | Ind AS |
|---|---|---|---|---|
| **INCOME** | | | | |
| Revenues from operations | | 194,539 | - | 194,539 |
| Other income | Note 2 | 4,774 | 2,174 | 6,948 |
| **Total Income** | | **199,313** | **2,174** | **201,487** |
| **EXPENSES** | | | | |
| Purchase of stock in trade | | 14 | - | 14 |
| Operating expenses | Note 6 | 130,455 | 1,399 | 131,854 |
| Employee benefits expense | Note 5 | 5,630 | 131 | 5,761 |
| Finance costs | | 10,014 | - | 10,014 |
| Depreciation and amortisation expense | | 7,766 | - | 7,766 |
| Other expenses | | 20,256 | 29 | 20,285 |
| **Total Expenses** | | **174,135** | **1,559** | **175,694** |
| Profit before exceptional item and tax | | 25,178 | 615 | 25,793 |
| Prior period items | Note 6 | 559 | (559) | - |
| **Profit/(Loss) before tax** | | 24,619 | 1,174 | 25,793 |
| **Tax expense:** | | | | |
| - Current Tax | | 8,529 | - | 8,529 |
| - Deferred Tax | Note 3 | (179) | 654 | 475 |
| **Profit for the year** | | **16,269** | **520** | **16,789** |
| **Other comprehensive income** | | | | |
| Items that will not be reclassified to profit or loss in subsequent periods | Note 7 | - | 35 | 35 |
| Remeasurement of defined benefit liability | Note 7 | - | (12) | (12) |
| **Total comprehensive income** | | **16,269** | **543** | **16,812** |

**Note A**

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

**Reconciliation of total equity as at 31 March 2017 and 1 April 2016**

| Particulars | Note Reference | March 31 2017 | 1 April 2016 |
|---|---|---|---|
| **Total equity (shareholder's funds) as per previous GAAP** | | 27,307 | 10,978 |
| **Adjustments:** | | | |
| Impact of financial assets at amortised cost | Note 9 | (9) | (9) |
| Impact of employee share based payment at fair value | Note 8 | (124) | (27) |
| Impact of financial liabilities at amortised cost | Note 9 | 2,117 | |
| Impact of remeasurements of post-employment benefit obligations | Note 5 | (34) | - |
| Prior period expense | Note 6 | (1,371) | (559) |
| Tax impact on above adjustments | Note 3 | (330) | 324 |
| Other Comprehensive income | Note 7 | 23 | - |
| Share Option Outstanding Account | Note 8 | 157 | 76 |
| Securities Premium | Note 8 | 19 | - |
| **Total equity (shareholder's funds) as per Ind AS** | | **27,755** | **10,783** |

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Reconciliation of total comprehensive income for the year ended 31 March 2017**

| Particulars | Note Reference | March 31, 2017 |
|---|---|---|
| **Net loss after tax as reported under previous GAAP for 31 March 2017** | | **16,269** |
| **Adjustments** | | |
| Impact of employee share based payment at fair value | Note 8 | (97) |
| Impact of recognition of financial guarantee contracts | | 2,117 |
| Impact of remeasurements of post-employment benefit obligations | Note 5 | (34) |
| Prior period expense | Note 6 | (812) |
| Tax impact on above adjustments | Note 3 | (654) |
| **Net profit after tax as per Ind AS** | | **16,789** |
| Other Comprehensive income | Note 7 | 23 |
| **Total comprehensive income after tax as per Ind AS** | | **16,812** |

**Reconciliation of statement of cash flow for the year ended 31 March 2017**

| Particulars | Previous GAAP (Refer Note A) | Adjustments | Ind AS |
|---|---|---|---|
| Net cash flow from operating activities | 8,313 | - | 8,313 |
| Net cash used in investing activities | 1,665 | - | 1,665 |
| Net cash used in financing activities | 17 | - | 17 |
| **Net increase in cash and cash equivalents** | **9,995** | **-** | **9,995** |
| Cash and cash equivalents at the 1 April 2016 | 1,974 | - | 1,974 |
| **Cash and cash equivalents at the 31 March 2017** | **11,969** | **-** | **11,969** |

**Note A**

The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

**Note 1: Property, plant and equipment**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**Note 2: Investment**

Under the previous GAAP, no adjustment was recognised on account of financial guarantee provided by parent company on behalf of subsidiary company so Investment was shown at cost. Ind AS 109 requires the guarantor to recognise the financial guarantee contract initially at its fair value and consider it as capital contribution by parent company. Accordingly the company has recognised a liability in its separate financial statements for the fair value of the financial guarantee given and subsequent recognition of income on a straight line basis and considered this as a deemed capital contribution by company in its subsidiary.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

**Note 3: Deferred Tax**

Retained earnings has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

**Note 4: Retained earnings**

Retained earnings as at 1 April 2016 has been adjusted consequent to all the Ind AS transition adjustments.

**Note 5: Remeasurements of post-employment**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these measurements were forming part of the profit or loss for the year, accordingly an adjustment has been done to reinstate the employee benefit cost for financial year 2016-17 by the amount pertainig to actuarial gain and loss and same has been shown as other comprehensive income in the statement of Profit and Loss.

**Note 6: Prior period item**

Under Ind AS 8, financial statements are restated retrospectively for correcting the recognition, measurement and disclosure of amounts of elements of financial statements as if a prior period error had never occurred. Accordingly an adjustment has been made in the financial statement to take above impact.

Under previous GAAP prior period items were included in determination of net profits in which error pertaining to prior period were identified. Under Ind AS, such items have been adjusted retrospectively by reinstating the amounts for respective periods to which such errors related to, with the impact of such errors, if any, adjusted with balances as at 1 April 2016 in case these pertain to period prior to that date. Following is the impact:

| **Particulars** | **31 March 2017** | **1 April 2016** |
|---|---|---|
| Operating and other expenses | 812 | 559 |
| **Total** | **812** | **559** |

**Note 7: Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit obligation on account of actuarial gain and loss (Net of taxes)

**Note 8: Employee Stock option plan**

Under the previous GAAP, the Company had the option to measure the cost of equity-settled employee share-based plan either using the intrinsic value method or using the fair value method. Under Ind AS, the cost of equity-settled share-based plan is recognised based on the fair value of the options as at the grant date. accordingly ESOPs has been measures at fair value and additional cost on account of employee cost has been recognised in the statement of profit and loss.

**Note 9:**

**(a) Financial assets at amortised cost**

Under previous GAAP, financial assets and security deposits paid were initially recognised at transaction price. Subsequently, any finance income were recognised based on contractual terms.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Under Ind AS, such financial instruments are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value affects profit and loss unless it quantifies for recognition as some other type of asset.

**(b) Financial liabilities at amortised cost**

Under previous GAAP, financial liabilities were initially recognised at transaction price. Subsequently, any finance costs were recognised based on contractual terms. Under Ind AS, such financial instruments are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value affects profit and loss unless it quantifies for recognition as some other type of liability.

**64. Bank balances include:-**

| | As at | | |
|---|---|---|---|
| **Particulars** | **31 March 2018** | **31 March 2017** | **1 April 2016** |
| Provided as security to Government authorities. | **28** | 28 | 14 |
| Held as margin money for bank guarantees | **1,025** | 868 | 678 |

**65.** In accordance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility ('CSR') Committee. In terms with the provisions of the said Act, the Company was to spend a sum of approx ₹ 431 lacs during the year ended 31 March 2018 (previous year ₹ 189 lacs) towards CSR activities. The details of amount actually paid by the Company are:

| **Particulars** | **Amount Paid** | **Amount yet to be paid** | **Total** |
|---|---|---|---|
| **31 March 2018** | | | |
| **Donation paid for the purposes:** | | | |
| Promoting preventive health care measures | 431 | - | 431 |
| **31 March 2017** | | | |
| **Donation paid for the purposes:** | | | |
| Measures for the benefit of armed forces veterans, war widows and their dependents. | 19 | - | 19 |
| Education | 170 | - | 170 |

**66.** Particulars of loans, guarantee or investment under section 186 of the Companies Act 2013.

The Company has provided following loans, guarantee or investment pursuant to section 186 of Companies Act, 2013.

| **Name of the entity** | **As at 31 March 2017** | **Given** | **Repaid** | **As at 31 March 2018** |
|---|---|---|---|---|
| **Loan given:** | | | | |
| Dish T V Lanka (Private) Limited (includes foreign currency realignment and interest accrued till date of ₹ 1,567 lacs) | 8,526 | 3,431 | - | **11,957** |

**Security or guarantee against loan**

During the current year Company has given guarantees on behalf of Dish Infra Services Private Limited to various banks amounting to ₹ 250,438 lacs (Previous year ₹ 278,710 lacs) for loan facility obtained by Dish Infra

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Services Private Limited.

**Investment**

There are no investments by the Company other than those stated under Note 9 in the Financial Statements.

**Note**

All the loans are provided for business purposes of respective entities.

**67.** Disclosure pursuant to schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) regulations, 2015.

| Name of the enterprise | Rate of Interest | Secured/ Unsecured | Balance as at 31 March 2018 | Maximum Outstanding during the year 2017-18 | Balance as at 31 March 2017 | Maximum Outstanding during the year 2016-17 |
|---|---|---|---|---|---|---|
| **Loans and advances in the nature of loan given to subsidiaries** | | | | | | |
| Dish T V Lanka (Private) Limited | **10.50%** | **Unsecured** | **11,957** | **11,957** | 8,526 | 8,526 |

**As per our report attached to the balance sheet**

**For Walker Chandiok & Co. LLP**
*Chartered Accountants*

**Sumit Mahajan**
*Partner*

Place: Noida
Dated: 29 May, 2018

For and on behalf of the Board of Directors of
**Dish TV India Limited**

**Jawahar Lal Goel**
*Chairman & Managing Director*
DIN: 00076462

**B. D. Narang**
*Director*
DIN: 00826573

**Rajeev K. Dalmia**
*Chief Financial Officer*

**Ranjit Singh**
*Company Secretary*
Membership No: A15442

Place: Noida
Dated: 29 May, 2018