INDEPENDENT AUDITORS' REPORT

To the Members of Dish TV India Limited

Report on the Consolidated Financial Statements

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

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The respective Board of Directors/management of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 consolidated financial statements are free from material misstatement.

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

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

Opinion

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

Emphasis of Matter

9. We draw attention to Note 60(c)(ii) to the consolidated financial statements which describes that the Holding 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 Holding 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 Holding Company is awaiting response from MIB with respect to the aforesaid application. Our opinion is not modified in respect of this matter.

Other Matter

10. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 775,112.34 lacs and net assets of ₹ 15,356.77 lacs as at 31 March 2018, total revenues of ₹ 112,173.34 lacs and net cash outflows amounting to ₹ 1,666 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 0.48 lacs for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.

    Further, of these subsidiaries and joint venture, one subsidiary is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in its respective country and which have been audited by other auditors under generally accepted auditing standards applicable in its respective country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India and another auditor has audited these conversion adjustments. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by the other auditor.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and joint venture, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

e) the matter described in paragraph 9 under Emphasis of Matter 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 of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary company and joint venture company covered under the Act, none of the directors of the Group companies and joint venture company covered under the Act, are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary company and joint venture covered under the Act and the operating effectiveness of such controls, refer to our separate report in Annexure I;

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 Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and joint venture:

(i) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint venture as detailed in Note 55 and 60 to the consolidated financial statements;

(ii) provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts, as detailed in Note 60(c)(iv) to the consolidated financial statements;

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company and joint venture covered under the Act; and

(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 consolidated 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 Dish TV India Limited, on the consolidated financial statements for the year ended 31 March 2018

ANNEXURE I

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

1. In conjunction with our audit of the consolidated financial statements of Dish TV India Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") and a joint venture, as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary company and a jointly venture company, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company and a joint venture, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on Internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of 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 IFCoFR of the Holding Company, its subsidiary company and a joint venture, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary company and joint venture, as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR 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 and based on the consideration of the report of the other auditors of subsidiary company, the Holding Company, its subsidiary company and a joint venture, which are companies covered under the Act, have, in all material respects, adequate internal financial controls over financial reporting and such 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 (the "Guidance Note") issued by the ICAI..

Other Matter

9. We did not audit the IFCoFR insofar as it relates to a subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 771,485.44 lacs and net assets of ₹ 26,264.82 lacs as at 31 March 2018, total revenues of ₹ 111,021.31 lacs and net cash outflows amounting to ₹ 1,463 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 0.48 lacs for the year ended 31 March 2018, in respect of a joint venture which is company covered under the Act, whose IFCoFR have not been audited by us. The IFCoFR in so far as it relates to such subsidiary company and joint venture have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary company and joint venture, as aforesaid, under section 143(3)(i) of the Act in so far as it relates to such subsidiary company and joint venture is based solely on the reports of the auditors of such Companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

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

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	5	**363,380**	202,994	185,597
Capital work-in-progress	6	**67,806**	57,963	49,986
Goodwill	7	**627,542**	-	-
Other intangible assets	8	**227,569**	1,235	810
Financial assets				
Investments	9	**15,000**	15,000	15,000
Loans	10	**1,534**	986	678
Other financial assets	11	**2,327**	37	275
Deferred tax assets (net)	12	**60,265**	51,174	44,130
Current tax assets (net)	13	**10,774**	4,969	4,144
Other non-current assets	14	**19,310**	13,431	11,632
		1,395,507	347,789	312,252
Current assets				
Inventories	15	**3,805**	1,308	1,256
Financial assets				
Investments	16	**-**	1,481	8,203
Trade receivables	17	**14,599**	8,697	7,246
Cash and cash equivalents	18	**30,196**	17,332	9,093
Other bank balances	19	**26,104**	11,892	24,824
Loans	20	**648**	1,281	1,507
Other financial assets	21	**18,407**	4,142	4,298
Other current assets	22	**27,941**	23,093	18,233
		121,700	69,226	74,660
Total assets		**1,517,207**	417,015	386,912
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	23	**18,413**	10,659	10,659
Other equity	24	**657,000**	29,921	20,213
Equity attributable to owners of Holding Company		**675,413**	40,580	30,872
Non- Controlling Interest		**(1,808)**	(878)	-
		673,605	39,702	30,872
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	25	**179,488**	58,133	109,616
Other financial liabilities	26	**4,483**	10,791	5,433
Provisions	27	**4,084**	2,307	1,985
Other non-current liabilities	28	**12,139**	1,672	1,652
		200,194	72,903	118,686
Current liabilities				
Financial liabilities				
Borrowings	29	**45,322**	-	284
Trade payables	30	**67,018**	18,451	23,286
Other financial liabilities	31	**144,179**	104,113	49,783
Other current liabilities	32	**108,023**	41,932	42,909
Provisions	33	**278,865**	139,913	119,329
Current tax liabilities (net)	34	**1**	1	1,763
		643,408	304,410	237,354
Total Equity & Liabilities		**1,517,207**	417,015	386,912
Summary of significant accounting policies	4			

'The accompanying notes form an integral part of the consolidated financial statements.
This is the Consolidated 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

CONSOLIDATED 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	35	**463,416**	301,438
Other income	36	**5,416**	6,150
Total Income		**468,832**	307,588
Expenses			
Purchases of stock in trade		**937**	1,119
Changes in inventories of stock in trade	37	**174**	(52)
Operating expenses	38	**247,660**	143,724
Employee benefits expense	39	**20,961**	14,608
Finance costs	40	**39,637**	22,923
Depreciation and amortisation expense	41	**107,172**	69,080
Other expenses	42	**62,082**	45,237
Total expenses		**478,623**	296,639
(Loss)/Profit before tax and share of (loss) in joint venture		**(9,791)**	10,949
Tax expense:			
Current tax		**225**	9,816
Deferred tax		**(1,526)**	(7,079)
(Loss)/Profit after tax and before share of (loss) in joint venture		**(8,490)**	8,212
Share of (loss) in joint ventures*		**(0)**	(0)
(* ₹ 19,200 (31 March 2017: ₹ 28,800))			
(Loss)/Profit for the year		**(8,490)**	8,212
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement of gains/(loss) on defined benefit plan		**266**	105
Income tax relating to items that will not be reclassified to profit or loss		**(93)**	(36)
Items that will be reclassified to profit or loss and related income tax			
Foreign currency translation reserve		**184**	388
Income tax relating to foreign currency translation reserve		**-**	-
Other comprehensive income for the year		**357**	457
Total comprehensive income for the year		**(8,133)**	8,669
Profit is attributable to :			
Owners of the Holding Company		**(7,504)**	9,206
Non - controlling interests		**(986)**	(994)
Other comprehensive income is attributable to :			
Owners of the Holding Company		**302**	341
Non - controlling interests		**55**	116
Total comprehensive income is attributable to :			
Owners of the Holding Company		**(7,202)**	9,547
Non controlling interest		**(931)**	(878)
Earning per share (EPS) (face value ₹ 1)			
Basic	57	**(0.69)**	0.86
Diluted	57	**(0.69)**	0.86
Summary of significant accounting policies	4		

'The accompanying notes form an integral part of the consolidated financial statements.
This is the Consolidated 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

CONSOLIDATED 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	Attributable to owners of holding Company – Reserves & Surplus: Security premium reserve	Reserves & Surplus: Retained earnings	Reserves & Surplus: General Reserves	Reserves & Surplus: Share option outstanding account	Other Components of Equity: Shares issued but allotment kept in abeyance (Refer note 23h)	Other Components of Equity: Foreign currency translation reserve	Total other equity	Non-Controlling Interest	Total
Balance as at 1 April 2016	154,340	(136,051)	1,849	75	-	-	20,213	-	20,213
Restatement of prior period items	-	-	-	-	-	-	-	-	-
Profit for the year	-	9,206	-	-	-	-	9,206	(994)	8,212
Other comprehensive income for the year	-	69	-	-	-	273	342	116	458
Issue of equity shares under employee stock option	59	-	-	-	-	-	59	-	59
Share based payment to employees	-	-	-	101	-	-	101	-	101
Transfer to security premium on exercise of options	19	-	-	(19)	-	-	-	-	-
Balance as at 31 March 2017	**154,418**	**(126,776)**	**1,849**	**157**	**-**	**273**	**29,921**	**(878)**	**29,043**
Profit for the year	-	(7,504)	-	-	-	129	(7,375)	(986)	(8,361)
Other comprehensive income for the year	-	173	-	-	-	-	173	56	229
Issue of equity shares under employee stock option	27	-	-	-	-	-	27	-	27
Issue of equity shares under merger	633,475	-	-	-	825	-	634,300	-	634,300
Transferred to retained earning from security premium (capital reduction) (refer note 43)	(154,340)	154,340	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	(46)	-	-	(46)	-	(46)
Transfer to security premium on exercise of options	**18**	**-**	**-**	**(18)**	**-**	**-**	**-**	**-**	**-**
Balance as at 31 March 2018	**633,598**	**20,233**	**1,849**	**93**	**825**	**402**	**657,000**	**(1,808)**	**655,192**

This is the consolidated 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

CONSOLIDATED 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	**(9,791)**	10,949
Adjustments for :		
Depreciation and amortisation expense	**107,172**	69,080
Loss on sale / discard of property, plant and equipment and capital work-in-progress	**1,535**	1,684
Gain on redemption of units of mutual funds	**(25)**	(531)
Share based payment to employees	**(46)**	101
Allowance for expected credit loss	**2,988**	770
Interest income on financial assets measured at amortised cost	**(60)**	(57)
Bad debts and balances written off	**81**	614
Liabilities written back	**(151)**	(295)
Foreign exchange fluctuation (net)	**1,616**	(2,402)
Interest expense	**37,499**	20,494
Interest income	**(3,941)**	(3,356)
Operating profit before working capital changes	**136,877**	97,051
Changes in working capital		
Decrease in inventories	**460**	(52)
(Increase) in trade receivables	**(4,108)**	(2,632)
(Increase) in other financial assets	**(12,899)**	121
(Increase) in other assets	**(4,959)**	(8,709)
Increase in trade payables	**12,937**	(4,838)
Increase in provisions	**39,213**	11,423
(Decrease) in other liabilities	**(59,029)**	2,183
Cash generated from operations	**108,492**	94,547
Income taxes paid (net of refund)	**(4,928)**	(12,398)
Net cash generated from operating activities (A)	**103,564**	82,149
Cash flows from investing activities		
Purchases of property, plant and equipment (including adjustment for creditors for fixed assets, work-in-progress and capital advances)	**(83,726)**	(86,257)
Proceeds from sale of property plant & equipment	**258**	28
Fund acquired as part of merger	**4,843**	-
Purchase of current investments	**-**	(133,900)
Proceeds from sale of current investments	**1,506**	141,194
Movements in fixed deposits	**24,529**	13,170
Interest received	**3,301**	3,309
Net cash used in investing activities (B)	**(49,289)**	(62,456)

CONSOLIDATED 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 financing activities		
Interest paid	**(26,657)**	(6,570)
Proceeds from issue of capital / call money received	**28**	61
Proceeds from long term borrowings	**53,383**	16,626
Repayments of long term borrowings	**(100,552)**	(21,287)
Proceeds from short term borrowings	**32,387**	-
Movement from short term borrowings	**-**	(284)
Net cash used in financing activities (C)	**(41,411)**	(11,454)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**12,864**	8,239
Cash and cash equivalents at the beginning of the year	**17,332**	9,093
Cash and cash equivalents at the end of the year	**30,196**	17,332
Cash and cash equivalents includes:		
Cash on hand	**11**	7
Balances with scheduled banks :		
- in current accounts	**29,970**	17,040
- in saving accounts	**67**	-
- deposits with maturity of upto 3 months	**-**	86
Cheques, drafts on hand	**148**	199
Cash and cash equivalents	**30,196**	17,332
Non-cash financing and investing activities		
Share issued on acocunt of merger (refer note 44)	**642,053**	-

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

This is the consolidated 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
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Company Secretary
Membership No: A15442

Place: Noida
Dated: 29 May, 2018

NOTES TO THE CONSOLIDATED 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' or 'the parent company') and its subsidiaries [refer to note 4(c) below], together referred as 'the Group', is engaged in the business of providing Direct to Home ('DTH') and Teleport services.

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

These consolidated financial statements ('financial statements') of the Group have been prepared in accordance with 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 Group has uniformly applied the accounting policies during the periods presented.

For all periods up to and including the year ended 31 March 2017, the Group 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 Group has prepared in accordance with Ind AS (see note 48 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 consolidated financial statement for the year ended 31 March 2018 were authorised and approved for issue by Board of Directors on 29 May 2018.

3. Recent accounting pronouncement

<u>Standard issued but not yet effective</u>

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 amendments made by International Accounting Standard Board (IASB). This amedment is applicable to the Group from 1 April 2018, the Group 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 recognize 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 Group, 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 consolidated 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 consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS as summarised in note no 63.

NOTES TO THE CONSOLIDATED 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 55 and 60, 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) Principles of consolidation

The consolidated financial statements have been prepared in accordance with Ind AS 110-consolidated financial statements and Ind AS 28 - Investments in Associates and Joint Ventures, of the Companies (Accounts) Rules, 2014 (Indian GAAP). The consolidated financial statements are prepared on the following basis:

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

Joint ventures

Interest in joint venture are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

The companies considered in the consolidated financial statements are:

Name of the company	Nature	Country of incorporation	% shareholding As at 31 March 2018	% shareholding As at 31 March 2017
Dish TV India Limited	Holding Company	India	**-**	-
Dish T V Lanka (Private) Limited	Subsidiary Company	Sri Lanka	**70**	70
Dish Infra Services Private Limited (formerly known as Xingmedia Distribution Private Limited)	Subsidiary Company	India	**100**	100
C&S Medianet Private Limited	Joint Venture	India	**48**	48

d) 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 Group 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.

e) 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 generally 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 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

f) 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 equipments (CPE) including viewing cards (VC) 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.

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) CPEs including Viewing Cards (VC) are depreciated over their useful life of five years, as estimated by the management. Viewing Cards that remain inactive for a specified long period of time, (five hundred days from the date of inactivation) determined based on past experience, are depreciated on accelerated basis;

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 Group 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

(All amounts in ₹ lacs, unless otherwise stated)

g) 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.

h) 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 Group 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 capitalized as intangible asset.

Customer & Distributor relationships are 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 Group as per valuation of merger scheme.

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 Group as per valuation of merger scheme.

Cost of computer software includes license fees, cost of implementation and directly attributable system integration expenses. These costs are capitalized 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 amortized 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 all the factors the Group has considered life of Brand till perpetuity.

iv) Software are amortised over an estimated life of one year to five years.

Transition to Ind AS

On transition to Ind AS, the Group 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.

i) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group 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 recognized are accordingly reversed in the statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

j) Impairment of financial assets

In accordance with Ind AS 109, the Group 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 Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group 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 Group 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 Group 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.

k) Inventories

Inventories of customer premises equipment (CPE) related accessories and spares are valued at the lower of cost and net realisable value. Cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

l) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group 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 fee is recognised on an upfront basis considering the level of services rendered on activation, the corresponding cost incurred and separate consideration charged for the subsequent continuing services.
- Revenue from other services (*viz* Bandwidth charges, teleport services, field repairs of CPE, advertisement income) are recognised on rendering of the services.
- Infrastructure support fees is recognised on the basis of fixed rate agreement on the basis of active customers.

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 Group has transferred to the buyer the significant risks and rewards.
- Sales are stated net of rebates, trade discounts, sales returns and taxes on sales.

(All amounts in ₹ lacs, unless otherwise stated)

iii) Interest income

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

m) 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 Group.

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.

n) Borrowing Costs

Borrowing costs include interest and other costs that the Group 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.

o) Post-employment, long term and short term employee benefits

i) Post-employment benefit

Defined contribution plan

the Group 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 Group'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 Group has done contrubution to the Gratuity plan with LIC partially.

ii) Other long term employee benefits

Benefits under the Group'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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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.

p) 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.

q) Employee stock option scheme

The fair value of options granted under Employee Stock Option Plan of the Group is recognised as an employee benefits expense with a corresponding increase in 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 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.

r) 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 Group 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 Group are capitalised as the assets by the Group.

Company as a lessor

Leases in which the Group 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 Group with expected inflationary costs.

s) 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.

t) Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized 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.

(All amounts in ₹ lacs, unless otherwise stated)

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 Group'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 either in other comprehensive income or in equity.

Unused tax credit such as (Minimum alternate tax ('MAT') credit entitlement) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which such credit becomes eligible to be recognized 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 Group 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 Group will pay normal income tax during the specified period.

u) Provisions, contingent liabilities, commitments and contingent assets

The Group 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 Group. 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.

v) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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 Group 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).

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-recognized when the rights to receive cash flows from the asset have expired or the Group 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-recognized 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 recognized 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.

w) 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.

x) 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 Group that have the most significant effect on the financial statements.

Recognition of deferred tax assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

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

Classification of leases: The Group 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 the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset. The Group 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 Group 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.

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

5. Property, Plant & Equipments

Particulars	Building	Plant and equipments	Consumer premises equipments	Computers	Office equip-ment	Furniture and fixtures	Vehicles	Leasehold improve-ments	Electrical Installa-tions	Total
Gross carrying value										
As at 1 April 2016	286	19,098	546,927	1,348	617	240	3,669	48	-	572,233
Additions	-	1,512	83,806	778	66	14	35	-	-	86,211
Disposal/adjustments	-	11	-	28	2	-	-	-	-	41
Foreign currency translation (gain)/loss$	(10)	(100)	(16)	0	(1)	(1)	(1)	(0)	-	(129)
As at 31 March 2017	**276**	**20,499**	**630,717**	**2,098**	**680**	**253**	**3,703**	**48**	**-**	**658,274**
Addition due to business combination	2,609	18,059	145,680	808	84	315	4	-	524	168,083
Additions	-	119	92,310	601	58	13	13	-	-	93,114
Disposal/adjustments	-	-	3,144	28	2	-	8	-	-	3,182
Foreign currency translation (gain)/loss$	(4)	(37)	(6)	(0)	(0)	(0)	(0)	-		(47)
As at 31 March 2018	**2,881**	**38,640**	**865,557**	**3,479**	**820**	**581**	**3,712**	**48**	**524**	**916,242**
Accumulated depreciation										
As at 1 April 2016	13	13,361	370,268	1,167	340	134	1,307	46	-	386,636
Charge for the year	14	1,566	66,378	216	101	22	368	2	-	68,667
Disposal/adjustments	-	1	-	11	1	-	-	-	-	13
Foreign currency translation (gain)/loss$	(0)	(8)	(2)	(0)	(0)	(0)	(0)	(0)	-	(10)
As at 31 March 2017	**27**	**14,918**	**436,644**	**1,372**	**440**	**156**	**1,675**	**48**	**-**	**455,280**
Charge for the year	188	3,223	95,064	449	123	72	372	-	214	99,705
Disposal/adjustments	-	-	2,098	12	1	-	3	-	-	2,114
Foreign currency translation (gain)/loss$	(0)	(8)	(1)	0	0	(0)	(0)	-	-	(9)
As at 31 March 2018	**215**	**18,133**	**529,609**	**1,809**	**562**	**228**	**2,044**	**48**	**214**	**552,862**
Net block as at 1 April 2016*	273	5,737	176,659	181	277	106	2,362	2	-	185,597
Net block as at 31 March 2017	249	5,581	194,073	726	240	97	2,028	-	-	202,994
Net block as at 31 March 2018	2,666	20,507	335,948	1,670	258	353	1,668	-	310	363,380

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous 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 Foreign currency translation (gain)/loss for the year ended 31 March 17, ₹ 18,199 for Computer and ₹ (6,746) for leasehold improvement.

Gross carrying value on Foreign currency translation (gain)/loss for the year ended 31 March 18, ₹ (8,551) for Computer, ₹ (11,307) for office equipment, ₹ (18,920) for furniture and fixtures and ₹ (48,801) for vehicles.

Accumulated depreciation on Foreign currency translation (gain)/loss for the year ended 31 March 17, ₹ (25,802) for Building, ₹ (6,914) for Computer, ₹ (11,436) for Office equipment, ₹ (3,323) for furniture and fixtures, ₹ (3,465) for vehicles and ₹ (2,824) for leasehold improvements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Accumulated depreciation on Foreign currency translation (gain)/loss for the year ended 31 March 18, ₹ (27,568) for Building, ₹ 33,468 for Computer, ₹ 15,068 for Office equipment, ₹ (3,551) for furniture and fixtures, ₹ (3,702) for Vehicles.

Property, plant and equipment pledged as security

Refer note 25 and 29 for information on property, plant and equipment pledged as security.

Contractual obligation

Refer note 60(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Capitalised borrowing cost

The borrowing cost has not been capitalised during the year 31 March 2018, 31 March 2017 and 1 April 2016

6. Capital work in progress

Particulars	Amount
Gross carrying value	
As at 1 April 2016*	49,986
Additions	**94,188**
Transfer to property, plant and equipment	86,211
As at 31 March 2017	**57,963**
Additions	85,652
Addition due to business combination	**17,305**
Transfer to property, plant and equipment	93,114
As at 31 March 2018	**67,806**

* Net off ₹ 5,400 lacs transferred to CPE and ₹ 5.616 lacs transferred to retained earning (refer note 63 C)

Capital work in progress

Refer note 25 and 29 for information on property, plant and equipment pledged as security by the Group.

7. Goodwill

Particulars	31 March 2018	31 March 2017	1 April 2016
Goodwill	627,542	-	-
Movement of Goodwill			
Opening balance	-	-	-
Addition due to business combination (refer note 44)	627,542	-	-
Closing balance	627,542	-	-

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

8. Other intangible assets

Particulars	Trademark / Brand	Technical Know-how and Designs	License fee	Software	Customer & Distributor Relationship	Total
Gross carrying value						
As at 1 April 2016	-	-	1,197	3,734	-	4,931
Additions	-	-	342	500	-	842
Disposal/adjustments	-	-	-	-	-	-
Foreign currency translation (gain)/loss	-	-	(5)	-	-	(5)
As at 31 March 2017	**-**	**-**	**1,534**	**4,234**	**-**	**5,768**
Addition due to business combination	102,909	-	130	1,212	126,134	230,385
Additions	-	-	41	3,376	-	3,417
Disposal/adjustments						-
Foreign currency translation (gain)/loss	-	-	(1)	-	-	(1)
As at 31 March 2018	**102,909**	**-**	**1,704**	**8,822**	**126,134**	**239,569**
Accumulated amortisation						
As at 1 April 2016	-	-	1,191	2,930	-	4,121
Charge for the year	-	-	19	394	-	413
Disposal/adjustments	-	-	-	-	-	-
Foreign currency translation (gain)/loss	-	-	(1)	-	-	(1)
As at 31 March 2017	**-**	**-**	**1,209**	**3,324**	**-**	**4,533**
charge for the year	-	-	208	973	6,286	7,467
Disposal/adjustments	-	-	-	-	-	-
Foreign currency translation difference	-	-	-	-	-	-
As at 31 March 2018	**-**	**-**	**1,417**	**4,297**	**6,286**	**12,000**
Net block as at 1 April 2016*	-	-	6	804	-	810
Net block as at 31 March 2017	-	-	325	910	-	1,235
Net block as at 31 March 2018	102,909	-	287	4,525	119,848	227,569

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

Contractual obligation

Refer note 60(b) for disclosure of contractual commitments for the acquisition of intangible assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

9. Investment (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 joint venture accounted for using the equity method (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 (*₹ nil, net off proportionate loss maximum to investment as on 31 March 2018 (31 March 2017: ₹ 19,200, 1 April 16: ₹ nil), rounded off to ₹ lacs)	**-**	0	-
ii) 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 (31 March 2017 ₹ 10), rounded off to ₹ lacs)	**0**	0	-
In Others			
Certificate of deposit (Represents deposits with SICOM Limited (a financial institution))	**15,000**	15,000	15,000
	15,000	15,000	15,000
Aggregate amount of quoted investments and market value thereof	**-**	-	-
Aggregate amount of unquoted investments	**15,000**	15,000	15,000
Aggregate amount of impairment in the value of investments	**-**	-	-
	15,000	15,000	15,000

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	**402**	371	344
- to related parties (refer note 53d)	**1,132**	615	334
- to others	**1,534**	986	678

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*	**2,327**	37	275
	2,327	37	275

* Refer note 48 A for disclosure of fair value in respect of financial assets measured at cost and refer note 49 B for assessment of expected credit loss

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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	**8,648**	48,389	40,690
Provision for employee benefits and others provision/ liabilities deductible on actual payment	**2,568**	2,173	2,564
Allowances for expected credit loss- Trade Receivables and advances/loans	**1,963**	612	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	**(1,331)**	(312)	530
Unamortised borrowing costs	**312**	312	-
Total Deferred Tax Asset/(liabilities) (Net)	**60,265**	51,174	44,130

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	As at 31 March 2018
Deferred tax assets / (liabilities) arising on account of:					
Property, plant and equipment and intangible assets	48,389	(48,263)	-	8,522	**8,648**
Provision for employee benefits and others provision/liabilities deductible on actual payment	2,173	487	(93)	-	**2,568**
Allowances for expected credit loss- Trade Receivables and advances/loans	612	1,351	-	-	**1,963**
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	(312)	(154)	-	(865)	**(1,331)**
Unamortised borrowing costs	312	(0)	-	-	**312**
Total deferred tax assets / (liabilities) (net)	**51,174**	**1,526**	**(93)**	**7,657**	**60,265**

(All amounts in ₹ lacs, unless otherwise stated)

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	40,690	7,699	-	48,389
Provision for employee benefits and others provision/liabilities deductible on actual payment	2,564	(355)	(36)	2,173
Allowances for expected credit loss- Trade Receivables and advances/loans	346	266	-	612
Receivables, financial assets and liabilities at amortised cost	530	(842)	-	(312)
Unamortised borrowing costs	-	312	-	312
Total deferred tax assets / (liabilities) (net)	**44,130**	**7,080**	**(36)**	**51,174**

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 ₹ 14,501 lacs, (31 March 2017: ₹14,276 lacs, 1 April 2016: ₹ 260 lacs))	**10,774**	4,969	4,144
	10,774	**4,969**	**4,144**

14. Other non current assets

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Capital Advances	**1,066**	6,592	7,104
Balance with statutory authorities*	**15,236**	6,728	2,769
Wealth tax	**32**	32	-
Prepaid expenses	**2,976**	79	1,759
	19,310	**13,431**	**11,632**

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

15. Inventories

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Customer premises equipment related accessories and spares	**3,805**	1,308	1,256
	3,805	**1,308**	**1,256**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

16. Current investments

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investment in Mutual Funds			
nil units (31 March 2017: 63,906 and 1 April 2016: 115,786 units) of DSP Blackrock Liquidity Fund-Growth	-	1,481	2,503
nil units (31 March 2017: nil units and 1 April 2016: 23,402,089 units) of Kotak Flexi Debt scheme institutional- Growth	-	-	5,700
	-	**1,481**	**8,203**
Aggregate amount of quoted investments and market value thereof	-	1,481	8,203
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impariment in the value of investments	-	-	-
	-	**1,481**	**8,203**

17. Trade receivables

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured considered good	**14,599**	8,697	7,246
Unsecured considered doubtful	**3,259**	1,768	998
	17,858	10,465	8,244
Less: allowances for expected credit loss	**(3,259)**	(1,768)	(998)
	14,599	**8,697**	**7,246**

Trade receivable have been pledged as security for liabilities refer note 25 and 29.

18. Cash & cash equivalents

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balances with banks:-			
In current accounts	**29,970**	17,040	6,705
In saving accounts	**67**		
In deposit account with original maturity of less than three months	-	86	384
Cheques, drafts in hand	**148**	199	1,994
Cash in hand	**11**	7	10
	30,196	**17,332**	**9,093**

19. 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##	**26,104**	11,892	24,824
Total other bank balances	**26,104**	**11,892**	**24,824**

₹ 0.42 lacs (31 March 17: ₹ 0.42 lacs, 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, 1 April 2016: ₹ 12,525 lacs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

20. Loans (current)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security Deposits (Unsecured, considered good)*			
Related parties	**52**	1,054	1,054
Others	**596**	227	453
	648	**1,281**	**1,507**

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

21. Other financial assets (current)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good unless otherwise stated			
Interest accrued but not due on fixed deposits	**740**	100	53
Derivatives not designated as hedge - Principal Swap	**-**	-	168
Amount recoverable#			
Considered good	**17,667**	4,042	4,077
Others			
Considered doubtful	**2,170**	-	-
Less: provision for expected credit loss	**(2,170)**	-	-
	18,407	**4,142**	**4,298**

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

22. Other current assets

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance with statutory authorities	**9,366**	3,607	8,804
Prepaid expenses	**4,042**	4,648	2,680
Amount recoverable in cash or in kind*	**14,533**	14,838	6,749
	27,941	23,093	18,233

* Includes amount ₹ 1,338 lacs (31 March 2017: ₹ 1,502 lacs, 1 April 2016: ₹ 1,062 lacs) advanced to related party

23. 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
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 44)

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

Difference in number of share issued and number of shares subscribed is on account of share 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 44) 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, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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
Direct Media Distribution Ventures Private Limited	**457,212,260**	**24.83%**	457,212,260	42.89%	457,212,260	42.90%
Deutsche Bank Trust Company Americas*	**277,095,615**	**15.05%**	-	0.00%	-	0.00%
Electroparts (India) Private Ltd	**122,072,040**	**6.63%**	-	0.00%	-	0.00%
Solitaire Appliances Pvt. Ltd	**101,760,932**	**5.53%**	-	0.00%	-	0.00%
Greenfield Appliances Private Limited	**101,760,931**	**5.53%**	-	0.00%	-	0.00%
Waluj Components Private Limited	**101,275,125**	**5.50%**	-	0.00%	-	0.00%
Veena Investments Private Limited	**86,094,822**	**4.60%**	86,094,822	8.08%	100	0.00%
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%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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 44), 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 46 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 44), 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 shares has been allotted by way of bonus issues and no shares have 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.

24. Other equity

	As at 31 March 2018	As at 31 March 2017
Retained Earnings		
Balance at the beginning of the year	**(126,776)**	(136,051)
Add: Transferred from securities premium (capital reduction) (refer note 43)	**154,340**	-
Add: Profit/ (Loss) for the year	**(7,504)**	9,206
Add: Remeasurement of post employment benefits	**173**	69
Balance at the end of the year	**20,233**	(126,776)
Securities premium account		
Balance at the beginning of the year	**154,418**	154,340
Add: Addition during the year	**633,520**	78
Less: Transferred to retained earning (capital reduction) (refer note 43)	**(154,340)**	-
Balance at the end of the year	**633,598**	154,418

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
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	**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 23 (h))	**825**	-
Foreign currency translation reserve		
Balance at the beginning of the year	**273**	-
Foreign currency translation adjustments	**184**	389
Non controlling interest share in translation difference	**(55)**	(116)
Balance at the end of the year	**402**	273
	657,000	29,921

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 resserve

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.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net liabilities of foreign subsidiary from their functional currency to the group's presentation currency (the INR) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

25. Borrowings (non-current)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-convertible debenture (Secured)	**29,899**	30,000	30,000
From banks (Secured)			
Term loans	**166,279**	3,094	16,600
Buyers' credits	**71,484**	80,598	75,523
From financial institution (Unsecured)			
Term loan from Cisco System Capital (India) Private Ltd.	**2,406**	-	-
	270,068	113,692	122,123
Less: Current maturities of long term borrowings (refer note 31.1)	**(90,580)**	(55,559)	(12,507)
	179,488	58,133	109,616

Repayment terms, rate of interest and nature of security for the outstanding long term borrowing as on 31 March 2018, 31 March 2017, 1 April 2016.

Nature of security

a) Non-convertible debenture

i) 200 12.4% non-convertible debentures of ₹ 100 lacs each, is repayable after three years from the date of allotment alongwith cumulative interest at the rate of 12.4% p.a.

ii) 100 11.5% non-convertible debentures of ₹ 100 lacs each, is repayable after three years from the date of allotment alongwith cumulative interest at the rate of 11.5% p.a.

iii) 200 8.75% non-convertible debentures of ₹ 100 lacs each, is repayable after three years from the date of allotment alongwith cumulative interest at the rate of 8.75% p.a.

Rate of interest and terms of repayment (8.75% Non-convertible debentures)

Repayable after three years from the date of allotment with put option dates and coupons as below:

Coupon Period	Coupon Rate
25 September 2017 to 25 September 2018	8.25%
26 September 2018 to 25 September 2019	8.50%
26 September 2019 to 25 September 2020	8.75%

Above debentures (i) to (iii) are secured by

(a) First ranking pari-passu charge on all present and future tangible i.e. movable and current assets of the Issuer.

(b) The Promoter Group or any Promoter forming part of existing promoter group shall hold at least 26% equity shares of guarantor at all times during the tenure of the Debenture. Further, a corporate guarantee is given by Dish TV India Limited.

b) Term loans-Secured

Term loan of ₹ 1,66,279 lacs (31 March 2017: ₹ 3,094 lacs, 1 April 2016: ₹ 16,600 lacs)

(i) Term loan of ₹ 1,863 lacs from ING Vysya Bank (31 March 2017: ₹ 3,094 lacs, 1 April 2016: ₹ 4,943 lacs), balance amount is repayable in 6 equal quarterly instalment (31 March 2017: 10 equal quarterly instalment, 1 April 2016: 16 equal quarterly instalment) of ₹ 313 lacs (including interest) each with last instalment payable on September 2019 (31 March 2017: September 2019, 1 April 2016: March 2020). The rate of interest is base rate plus 1.75% per annum.

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(All amounts in ₹ lacs, unless otherwise stated)

(ii) Term loan of ₹ nil from ING Vysya Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ 499 lacs), balance amount is repayable in nil instalment (31 March 2017: nil instalment, 1 April 2016: 1 equal quarterly instalment) of ₹ 500 lacs (including interest). Last date of repayment was June 2016. The rate of interest is base rate plus 1.75% per annum.

(iii) Term loan of ₹ nil from ING Vysya Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ 125 lacs), balance amount is repayable in nil instalment (31 March 2017: nil instalment, 1 April 2016: 2 equal quarterly instalment) of ₹ 63 lacs (including interest) each. Last date of repayment was August 2016. The rate of interest is base rate plus 1.75% per annum.

(iv) Term loan of ₹ nil from ING Vysya Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ 3,096 lacs), balance amount is repayable in nil instalment (31 March 2017: nil instalment, 1 April 2016: 6 equal quarterly instalment) of ₹ 625 lacs (including interest) each. Last date of repayment was April 2017. The rate of interest is base rate plus 1.75% per annum.

Above facilities are secured by:

(a) First pari-passu charges on consumer premises equipment (CPE), (both present and future), of the Company.

(b) First pari-passu charges on all current assets and fixed assets of the Company (both present and future).

(c) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets of the Company.

(d) DSRA to be created upfront for one Quarter interest.

(e) Unconditional and Irrevocable corporate guarantee is given by Dish TV India Limited.

(v) Term loan of ₹ nil from ICICI Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ 2,983 lacs), balance amount is repayable in nil instalment (31 March 2017: nil instalment, 1 April 2016: 12 equal quarterly instalment) of ₹ 250 lacs (including interest) each. Last date of repayment is March 2019. The rate of interest is base rate plus 2.5% per annum.

(vi) Term loan of ₹ nil from ICICI Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ 4,954 lacs), balance amount is repayable in nil instalment (31 March 2017: nil instalment, 1 April 2016: 14 equal quarterly instalment) of ₹ 357 lacs (including interest) each. Last date of repayment is December 2020. The rate of interest is base rate plus 2.5% per annum.

Above facilities are secured by:

(a) First pari-passu charge on consumer premises equipment (CPE) (both present and future).

(b) First pari-passu charges by way of hypothecation on the Company's entire current assets which would include stocks of raw materials, semi finished and finished goods, consumable stores and spares and such other movables, including book debts, bills, outstanding monies receivables (both present and future) in a form and manner satisfactory to the bank.

(c) First pari-passu charge on all movable fixed assets of the Company.

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(e) Corporate guarantee is given by Dish TV India Limited.

(vii) Term loans of ₹ 164,416 lacs as on 31 March 2018, assumed under the scheme of arrangement (refer note 44), 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

(All amounts in ₹ lacs, unless otherwise stated)

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 53.

Rate of interest and terms of repayment from respective bank

(a) Term loan of ₹ 11,461 lacs from IDBI Bank , balance amount is repayable in 11 quarterly instalments of ₹ 850 lacs (including interest) for first 3 quarters, ₹ 1,063 lacs (including interest) for next 4 quarters and ₹ 1,169 lacs (including interest) for next 4 quarters. Last date of repayment is January 2021. The rate of interest is 13% per annum

(b) Term loan of ₹ 20,234 lacs from IDBI Bank, balance amount is repayable in 11 quarterly instalments of ₹ 1,500 lacs (including interest) for first 3 quarters, ₹ 1,875 lacs (including interest) for next 4 quarters and ₹ 2,063 lacs (including interest) for next 4 quarters. Last date of repayment is January 2021. The rate of interest is 13% per annum.

(c) Term loan of ₹ 6,830 lacs from Central Bank of India, balance amount is repayable in 12 quarterly instalments of ₹ 500 lacs (including interest) for first 4 quarters, ₹ 625 lacs (including interest) for next 4 quarters, ₹ 688 lacs (including interest) for next 3 quarters and ₹ 270 lacs (including interest) for next 1 quarter. Last date of repayment is March 2021. The rate of interest is 12.25% per annum

(d) Term loan of ₹ 14,479 lacs from Bank of Baroda, balance amount is repayable in 12 quarterly instalments of ₹ 1,000 lacs (including interest) on first 4 quaters, ₹ 1,250 lacs (including interest) for next 4 quarters and ₹ 1,375 lacs (including interest) for next 4 quarters. Last date of repayment is March 2021. The rate of interest is 13.50% per annum.

(e) Term loan of ₹ 11,305 lacs from Canara Bank, balance amount is repayable in 11 quarterly instalments of ₹ 875 lacs (including interest) for first 3 quarters, ₹ 1,094 lacs (including interest) for next 4 quarters, ₹ 1,203 lacs (including interest) for next 3 quarters and ₹ 703 lacs (including interest) for next 1 quarter. Last date of repayment is January 2021. The rate of interest is 12.25% per annum.

(f) Term loan of ₹ 10,863 lacs from Bank of India, balance amount is repayable in 12 quarterly instalments of ₹ 750 lacs (including interest) for first 4 quarters, ₹ 938 lacs (including interest) for next 4 quarters and ₹ 1,031 lacs (including interest) for next 4 quarters. Last date of repayment is March 2021. The rate of interest is 13.20% per annum.

(g) Term loan of ₹ 10,122 lacs from Union Bank of India, balance amount is repayable in 11 quarterly instalments of ₹ 750 lacs (including interest) for first 3 quarters, ₹ 938 lacs (including interest) for next 4 quarters and ₹ 1,031 lacs (including interest) for next 4 quarters. Last date of repayment is January 2021. The rate of interest is 12.25% per annum.

(h) Term loan of ₹ 7,248 lacs from Bank of Maharashtra, balance amount is repayable in 12 quarterly instalments of ₹ 500 lacs (including interest) for first 4 quarters, ₹ 625 lacs (including interest) for next 4 quarters and ₹ 688 lacs (including interest) for next 4 quarters. Last date of repayment is March 2021. The rate of interest is 12.35% per annum.

(i) Term loan of ₹ 11,434 lacs from United Bank, balance amount is repayable in 13 quarterly instalments of ₹ 563 lacs (including interest) for 1 quarter, ₹ 750 lacs (including interest) for next 4 quarters, ₹ 938 lacs (including interest) for next 4 quarters and ₹ 1,031 lacs (including interest) for next 4 quarters. Last date of repayment is May 2021. The rate of interest is 12.40% per annum.

(j) Term loan of ₹ 4,645 lacs from IDBI Bank, balance amount is repayable in 19 quarterly instalments of ₹ 94 lacs (including interest) for first 3 quarters, ₹ 188 lacs (including interest) for next 4 quarters, ₹ 250 lacs (including interest) for next 4 quarters, ₹ 313 lacs (including interest) for next 4 quarters

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(All amounts in ₹ lacs, unless otherwise stated)

and ₹ 344 lacs (including interest) for next 4 quarters. Last date of repayment is December 2022. The rate of interest is 14% per annum.

(k) Term loan of ₹ 4,743 lacs from Karur Vysya Bank, balance amount is repayable in 20 quarterly instalments of ₹ 94 lacs (including interest) for first 4 quarters, ₹ 188 lacs (including interest) for next 4 quarters, ₹ 250 lacs (including interest) for next 4 quarters, ₹ 313 lacs (including interest) for next 4 quarters and ₹ 344 lacs (including interest) for next 4 quarters. Last date of repayment is March 2023. The rate of interest is 12.45% per annum.

(l) Term loan of ₹ 33,255 lacs from Yes Bank, balance amount is repayable in 20 quarterly instalments of ₹ 677 lacs (including interest) for first 4 quarters, ₹ 1,350 lacs (including interest) for next 4 quarters, ₹ 1,800 lacs (including interest) for next 4 quarters, ₹ 2,250 lacs (including interest) for next 4 quarters, ₹ 2,477 lacs (including interest) for next 3 quarters and ₹ 2,462 lacs for next 1 quarter. Last date of repayment is March 2023. The rate of interest is 12.33% per annum.

(m) Term loan of ₹ 17,797 lacs, balance amount is repayable in 17 quarterly instalments of ₹ 375 lacs (including interest) for 1 quarter, ₹ 750 lacs (including interest) for next 4 quarters, ₹ 1,000 lacs (including interest) for next 4 quarters, ₹ 1,250 lacs (including interest) for next 4 quarters and ₹ 1,375 lacs (including interest) for next 4 quarter. Last date of repayment is June 2022. The rate of interest is 14.10% per annum

c) Buyer's credits-Secured

(i) Facility of ₹ 19,354 lacs from IDBI Bank (31 March 2017: ₹ 43,686 lacs, 1 April 2016: ₹ 46,335 lacs)

For the year ended 31 March 2018

Buyer's credit of ₹ 19,354 lacs comprises of several loan transactions starts ranging between September 2015 to January 2018 and repayable in full on maturity dates falling ranging between May 2018 to January 2019.

Interest on ₹ 4,053 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 105 bps to Libor plus 115 bps.

Interest on ₹ 15,301 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 35 bps to Libor plus 120 bps.

For the year ended 31 March 2017

Buyer's credit of ₹ 43,686 lacs comprises of several loan transactions starts ranging between July 2014 to February 2016 and repayable in full on maturity dates falling ranging between February 2017 to November 2018.

Interest on ₹ 4,040 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 105 bps to Libor plus 115 bps.

Interest on ₹ 39,646 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 55 bps to Libor plus 120 bps.

As at 1 April 2016

Buyer's credit of ₹ 46,335 lacs comprises of several loan transactions starts ranging between July 2014 to February 2016 and repayable in full on maturity dates falling ranging between February 2017 to November 2018.

Interest on ₹ 4,133 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 105 bps to Libor plus 115 bps.

Interest on ₹ 42,202 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 55 bps to Libor plus 120 bps.

Above facilities are secured by:

(a) First pari-passu charge on all present and future moveable and immovable assets, including but not limited to inventory of set-top-boxes and accessories etc., book debts, operating cash flows, receivables, commissions, revenue of whatever nature and wherever arising, present and future, and on all intangibles assets including but not limited to goodwill and uncalled capital, present and future, of the Company.

(b) Corporate guarantee is given by Dish TV India Limited and a personal guarantee by key managerial personnel in respect of this loan.

(ii) Facility of ₹ 29,463 lacs from ICICI Bank (31 March 2017: ₹ 21,547 lacs, 1 April 2016 ₹ 18,292 lacs)

For the year ended 31 March 2018

Buyer's credit of ₹ 29,463 lacs comprises of several loan transactions starts ranging between December 2015 to January 2018 and repayable in full on maturity dates falling between July 2018 to May 2020.

Interest on ₹ 29,317 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 64 bps to Libor plus 115 bps. Interest on ₹ 146 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 36 bps to Libor plus 120 bps.

For the year ended 31 March 2017

a) Buyer's credit of ₹ 14,645 lacs comprises of several loan transactions ranging between July 2014 to June 2016 and repayable in full on maturity dates falling between April 2017 to February 2019.

Interest on ₹ 10,530 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 75 bps to Libor plus 115 bps. Interest on ₹ 4,115 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 50 bps to Libor plus 120 bps.

b) Buyer's credit of ₹ 6,902 lacs comprise of several loan transactions ranging between July 2014 to June 2016 and repayable in full on maturity date falling between October 2017 to January 2018.

Interest is payable quarterly instalment ranging at Libor plus 208 bps.

As at 1 April 2016

a) Buyer's credit of ₹ 11,209 lacs comprises of several loan transactions ranging between July 2014 to June 2016 and repayable in full on maturity dates falling between March 2017 to September 2018.

Interest on ₹ 4,597 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 75 bps to Libor plus 115 bps. Interest on ₹ 6,612 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 99 bps to Libor plus 120 bps.

b) Buyer's credit of ₹ 7,083 lacs comprise of several loan transactions ranging between July 2014 to June 2016 and repayable in full on maturity date falling between October 2017 to January 2018.

Interest is payable quarterly instalment ranging at Libor plus 208 bps.

Above facility is secured by:

(a) First pari-passu charge on consumer premises equipment (CPE) (both present and future).

(b) First pari-passu charges by way of hypothecation on the Company's entire current assets which would include stock of raw materials, semi finished and finished good, consumable stores and spares and such other movables, including book debts, bills, outstanding monies receivables (both present and future) in a form and manner satisfactory to the bank.

(c) First pari-passu charge on all movable fixed assets of the Company.

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(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(e) Corporate guarantee is given by Dish TV India Limited.

(iii) Facility of ₹ 17,201 lacs from Yes Bank (31 March 2017: ₹ 11,997 lacs, 1 April 2016: ₹ 7,763 lacs)

For the year ended 31 March 2018

Buyer's credit of ₹ 17,201 lacs comprises of several loan transactions ranging between February 2016 to February 2018 and repayable in full on maturity dates falling ranging between September 2018 to April 2020.

Interest on ₹ 17,201 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 65 bps to Libor plus 115 bps.

For the year ended 31 March 2017

Buyer's credit of ₹ 11,997 lacs comprises of several loan transactions ranging between November 2014 to April 2016 and repayable in full on maturity dates falling between July 2017 to November 2018 payable in half yearly instalments at Libor plus 78 bps to 115 bps.

As at 1 April 2016

Buyer's credit of ₹ 8,047 lacs comprises of several loan transactions ranging between November 2014 to April 2016 and repayable in full on maturity dates falling ranging between July 2017 to November 2018 payable in half yearly instalments at Libor plus 89 bps to 115 bps.

Above facility is secured by:

(a) First pari-passu charges on consumer premises equipment (CPE) (both present and future).

(b) First pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future).

(c) First pari-passu charges on all movable and immovable fixed assets (both present and future).

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(e) Corporate guarantee is given by Dish TV India Limited.

(iv) Facility of ₹ 5,464 lacs from ING Vysya Bank including (31 March 2017: ₹ 3,368 lacs, 1 April 2016 ₹ 3,133 lacs)

For the year ended 31 March 2018

Buyer's credit of ₹ 5,464 lacs comprises of several loan transactions ranging between January 2016 to December 2017 and repayable in full on maturity dates falling between June 2018 to April 2020.

Interest on ₹ 5,049 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 64 bps to Libor plus 78 bps.

Interest on ₹ 415 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 19 bps to Libor plus 130 bps.

For the year ended 31 March 2017

Buyer's credit of ₹ 3,368 lacs comprises of several loan transactions ranging between December 2013 to July 2016 and repayable in full on maturity dates falling between July 2016 to March 2019.

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(All amounts in ₹ lacs, unless otherwise stated)

Interest on ₹ 2,864 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 75 bps to Libor plus 78 bps.

Interest on ₹ 504 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 100 bps to Libor plus 130 bps.

As at 1 April 2016

Buyer's credit of ₹ 3,133 lacs comprises of several loan transactions ranging between December 2013 to January 2016 and repayable in full on maturity dates falling ranging between July 2016 to December 2018.

Interest on ₹ 429 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 75 bps to Libor plus 125 bps.

Interest on ₹ 2,704 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 99 bps to Libor plus 150 bps.

Above facility is secured by:

(a) First pari-passu charges on consumer premises equipment (CPE), (both present and future), of the Company.

(b) First pari-passu charges on all current assets and fixed assets of the Company (both present and future).

(c) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets of the Company.

(d) DSRA to be created upfront for one Quarter interest;

(e) Corporate guarantee is given by Dish TV India Limited.

(v) Buyer's credit of ₹ 2 lacs from Indusind Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ nil)

For the year ended 31 March 2018

Buyer's credit of ₹ 2 lacs comprises of several loan transactions ranging between October 2017 to March 2018 and repayable in full on maturity dates falling ranging between April 2018 to September 2018.

Interest on buyer's credit is payable in half yearly instalments ranging from Libor plus 30 bps to Libor plus 85 bps.

Above facility is secured by:

(a) First pari-passu charges on entire current assets and fixed assets of the Company (both present and future).

(b) Corporate guarantee is given by Dish TV India Limited.

D) Unsecured borrowings

This facility from "Cisco System Capital (India) Private Ltd"

(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

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(All amounts in ₹ lacs, unless otherwise stated)

(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.

26. Other financial liabilities (non-current)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Interest accrued but not due on borrowings	**4,483**	9,068	4,845
Derivatives not designated as hedge - principal swap	**-**	1,723	588
	4,483	**10,791**	**5,433**

27. Provisions (non-current)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provisions for employee benefits			
Leave encashment	**1,370**	719	620
Gratuity (refer note 47)	**2,714**	1,588	1,365
	4,084	**2,307**	**1,985**

28. Other non current liabilities

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income received in advance	**12,139**	1,672	1,652
	12,139	1,672	1,652

29. Borrowings - current

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
From banks			
Cash credit	**3,303**	-	-
Term loan	**4,565**	-	-
Buyers' credit	**23,667**	-	284
Bill discounting facility	**13,787**	-	-
	45,322	-	284

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

A) Cash credit

The Company has taken cash credit facility of ₹ 3,303 lacs (31 March 2017: ₹ nil, 1 April 2016: ₹ nil) for general business purposes from Axis bank. The rate of interest is 3 month MCLR+ 1.70%

Above facility is secured by:

(a) First pari-passu charges on consumer premises equipment (CPE) (both present and future);

(b) First pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future);

(c) First pari-passu charges on all movable and immovable fixed assets (both present and future);

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

B) Term loans-Secured

(i) Term loans facility of ₹ 4,565 lacs as on 31 March 2018, assumed under the scheme of arrangement (refer note 44), 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 53.

Rate of interest and terms of repayment

Term loan of ₹ 4,565 lacs from Yes Bank, balance amount is fully repayable on 31 May 2018. The rate of interest is 12.33% per annum.

C) Buyer Credit- Secured

(i) Facility of ₹ 5,052 lacs from IDBI Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ nil)

For the year ended 31 March 2018

Buyer's credit of ₹ 5.052 lacs comprises of several loan transactions starts ranging between September 2015 to January 2018 and repayable in full on maturity dates falling ranging between May 2018 to January 2019.

Interest on ₹ 4,053 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 105 bps to Libor plus 115 bps.

Interest on ₹ 999 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 35 bps to Libor plus 120 bps.

Above facilities are secured by:

(a) First pari-passu charge on all present and future moveable and immovable assets, including but not limited to inventory of set-top-boxes and accessories etc., book debts, operating cash flows, receivables, commissions, revenue of whatever nature and wherever arising, present and future, and on all intangibles assets including but not limited to goodwill and uncalled capital, present and future, of the Company.

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(All amounts in ₹ lacs, unless otherwise stated)

(b) Corporate guarantee is given by Dish TV India Limited and a personal guarantee by key managerial personnel in respect of this loan.

(ii) Facility of ₹ 1,299 lacs from ICICI Bank (31 March 2017: ₹ nil, 1 April 2016 ₹ nil)

For the year ended 31 March 2018

Buyer's credit of ₹ 1,299 lacs comprises of several loan transactions starts ranging between December 2015 to January 2018 and repayable in full on maturity dates falling between July 2018 to May 2020.

Interest on ₹ 1,299 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 64 bps to Libor plus 115 bps.

Above facility is secured by:

(a) First pari-passu charge on consumer premises equipment (CPE) (both present and future).

(b) First pari-passu charges by way of hypothecation on the Company's entire current assets which would include stock of raw materials, semi finished and finished good, consumable stores and spares and such other movables, including book debts, bills, outstanding monies receivables (both present and future) in a form and manner satisfactory to the bank.

(c) First pari-passu charge on all movable fixed assets of the Company.

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(e) Corporate guarantee is given by Dish TV India Limited.

(iii) Facility of ₹ 3,467 lacs from Yes Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ 284 lacs)

For the year ended 31 March 2018

Buyer's credit of ₹ 3,467 lacs comprises of several loan transactions ranging between February 2016 to February 2018 and repayable in full on maturity dates falling ranging between September 2018 to April 2020.

Interest on ₹ 3,467 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 65 bps to Libor plus 115 bps.

As at 1 April 2016

Buyer's credit of ₹ 284 lacs comprises of several loan transactions ranging between November 2014 to April 2016 and repayable in full on maturity dates falling ranging between July 2017 to November 2018 payable in half yearly instalments at Libor plus 89 bps to 115 bps.

Above facility is secured by:

(a) First pari-passu charges on consumer premises equipment (CPE) (both present and future).

(b) First pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future).

(c) First pari-passu charges on all movable and immovable fixed assets (both present and future).

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(e) Corporate guarantee is given by Dish TV India Limited.

(iv) Facility of ₹ 7,637 lacs from ING Vysya Bank including (31 March 2017: ₹ nil, 1 April 2016 ₹ nil)

For the year ended 31 March 2018

Buyer's credit of ₹ 7,637 lacs comprises of several loan transactions ranging between January 2016 to December 2017 and repayable in full on maturity dates falling between June 2018 to April 2020.

Interest on ₹ 5,049 lacs buyer's credit is payable in half yearly instalments ranging from Libor plus 64 bps to Libor plus 78 bps.

Interest on ₹ 2,588 lacs buyer's credit is payable in yearly instalments ranging from Libor plus 19 bps to Libor plus 130 bps.

Above facility is secured by:

(a) First pari-passu charges on consumer premises equipment (CPE), (both present and future), of the Company.

(b) First pari-passu charges on all current assets and fixed assets of the Company (both present and future).

(c) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets of the Company.

(d) DSRA to be created upfront for one Quarter interest.

(e) Corporate guarantee is given by Dish TV India Limited.

(v) Buyer's credit of ₹ 6,212 lacs from Indusind Bank (31 March 2017: ₹ nil, 1 April 2016: ₹ nil)

For the year ended 31 March 2018

Buyer's credit of ₹ 6,212 lacs comprises of several loan transactions ranging between October 2017 to March 2018 and repayable in full on maturity dates falling ranging between April 2018 to September 2018.

Interest on buyer's credit is payable in half yearly instalments ranging from Libor plus 30 bps to Libor plus 85 bps.

Above facility is secured by:

(a) First pari-passu charges on entire current assets and fixed assets of the Company (both present and future).

(b) Corporate guarantee is given by Dish TV India Limited.

D) Bill discounting facility

Bill discounting facility, having outstanding amount of ₹ 13,787 lacs as at 31 March 2018, assumed under the scheme of arrangement (refer note 44), 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 53.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

29.1 Reconciliation of liabilities arising from financing activities

Particulars	Borrowings (non-current)	Borrowings (current)	Total
As at 1 April 2017	113,692	-	113,692
Cash flows:			
Repayment of borrowings	(100,552)	-	(100,552)
Proceeds from borrowings	53,383	32,387	85,770
Non-cash:			
Acquired under business combination (refer note 44)	198,178	12,935	211,113
Foreign currency fluctuation impact	1,616	-	1,616
Impact of borrowing measured at amortised cost	3,751	-	3,751
As at 31 March 2018	**270,068**	45,322	315,390

30. 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	**67,018**	18,451	23,286
Total Trade payables	**67,018**	18,451	23,286

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

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 of MSMED Act,2006.	-	-	-

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

31. Other financial liabilities (current)#

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current maturities of long-term borrowings (refer note 25 and 31.1)	**90,580**	55,559	12,507
Interest accrued but not due on borrowings	**1,624**	780	564
Security deposit received	**85**	79	78
Employee related liabilities	**1,014**	583	462
Capital creditors	**21,827**	43,822	33,978
Commission accrued	**2,477**	2,557	2,194
Book overdraft	**24,697**	-	-
Derivatives not designated as hedge - principal swap	**1,875**	733	-
	144,179	104,113	49,783

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

31.1 Current maturities of long-term borrowings

Current Maturities of Long Term Borrowings	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-convertible debenture (Secured)	**10,000**	20,000	-
From banks (Secured)			
Term loans	**32,777**	1,231	5,312
Buyers' credits	**46,266**	34,328	7,195
From financial institution (Unsecured)	**1,537**	-	-
	90,580	55,559	12,507

32. Other current liabilities

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income received in advance	**60,512**	22,564	22,809
Statutory dues	**14,914**	5,932	8,083
Other advance from customers	**32,597**	13,436	12,017
Money received against partly paid up shares*	**0**	0	0
	108,023	41,932	42,909

* ₹ 42,451 as on 31 March 2018, ₹ 42,452 as on 31 March 2017 and ₹ 42,451 as on 1 April 2016 (rounded off to rupees lacs)

33. Provisions (current)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provisions for employee benefits			
Leave encashment	**90**	62	31
Gratuity (refer note 47)	**247**	111	27
Others Provisions			
License fees including interest (refer note 55)	**278,528**	139,740	119,271
	278,865	139,913	119,329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

34. Current Tax Liabilities

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for income tax	**1**	1	1,763
	1	1	1,763

35. Revenue from operations

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Income from Direct to Home (DTH) subscribers:		
- Subscription revenue	**325,489**	181,398
- Infra Support Service	**96,183**	95,565
- Lease Rentals	**12,252**	1,420
Teleport services	**2,325**	2,259
Bandwidth charges	**13,750**	10,579
Sales of customer premises equipment (CPE) and accessories	**5,416**	583
Advertisement income	**6,705**	5,253
Other operating income	**1,296**	4,381
	463,416	301,438

36. Other income

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Interest income from:		
- investments	**1,500**	1,787
- fixed deposits/ margin money accounts	**2,303**	1,390
- financial asset measured at amortised cost	**60**	57
- others	**138**	179
Foreign exchange fluctuation (net)	**413**	1,301
Gain on mutual funds	**25**	572
Liabilities written back	**151**	295
Miscellaneous income	**826**	569
	5,416	6,150

37. Changes in inventories of stock-in-trade (CPE related accessories/ spares)

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Opening stock	**1,308**	1,256
Less: Closing stock	**1,134**	1,308
Total changes in inventories of stock-in-trade	**174**	(52)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

38. Operating expenses

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Transponder lease	**26,563**	18,530
License fees (refer note 55)	**37,526**	21,750
Uplinking charges	**844**	726
Programming and other costs	**165,339**	93,137
Call centre service	**11,000**	8,850
Other operating expense	**6,388**	731
	247,660	143,724

39. Employee benefit expenses

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Salary, bonus and allowance	**19,382**	13,439
Contribution to provident and other funds	**1,052**	770
Share based payments to employees	**(46)**	101
Staff welfare	**383**	151
Recruitment and training expenses	**190**	147
	20,961	14,608

40. Finance costs

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Interest on:		
- Debentures	**3,796**	4,223
- Term loans from banks	**12,311**	875
- Buyer's credits from banks	**2,663**	2,224
- Regulatory dues (refer note 55)	**13,771**	9,484
- Bill discounting charges	**705**	-
- Others	**4,253**	3,688
Other borrowing costs	**2,138**	2,429
	39,637	22,923

41. Depreciation/amortisation

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Depreciation	**99,705**	68,667
Amortisation	**7,467**	413
	107,172	69,080

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

42. Other expenses

	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Electricity charges	**1,033**	517
Rent	**1,638**	930
Repairs and maintenance		
- Plant and machinery	**430**	289
- Consumer premises equipments	**788**	887
- Building	**19**	27
- Others	**1,928**	363
Insurance	**155**	98
Rates and taxes	**2,716**	372
Legal and professional fees	**8,508**	2,289
Director's sitting fees	**21**	20
Corporate Social Responsibility expenses	**431**	189
Printing and stationary	**225**	96
Communication expenses	**1,504**	1,174
Travelling and conveyance	**2,126**	1,489
Service and hire charges	**1,515**	894
Advertisement and publicity expenses	**9,477**	9,531
Business promotion expenses	**4,632**	4,588
Customer support services	**8,822**	2,049
Commission	**8,975**	14,933
Freight, cartage and demurrage	**200**	12
Bad debts and balances written off	**81**	410
Provision for expected credit loss	**2,988**	770
Loss on sale/ discard of property, plant and equipment	**812**	1
Loss on sale/ discard of capital work-in-progress (net)	**723**	1,683
Miscellaneous expenses*	**2,335**	1,626
	62,082	45,237

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

43. 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 has 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.

44. 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 of 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 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 Honourable 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	**Amount (₹ in lac)**
Value of equity shares of Dish TV India Limited	642,053
Total purchase consideration	**642,053**

The Fair value of 857,785,642 number of equity shares of Dish TV India Limited issued as consideration paid for Videocon D2H ₹ 642,053 lacs was based on the quoted price of equity shares 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Identifiable assets acquired and liabilities assumed

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

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 :

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: - Market Value Method - Index Based Method - Current price data / information available Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Assets Acquired	Valuation Technique
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 crystallisation

Goodwill

Particulars	Amount
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 Group'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.

45. 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.

46. 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 companies 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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	-	-	57.9
Lot 7	21 January 2011	-	-	58.95
Lot 8	20 July 2011	40,000	3.31	93.2
Lot 9	19 July 2012	-	-	-
Lot 10	23 May 2013	136,970	5.77	68
Lot 11	26 July 2013	24,000	6.32	57.1
Lot 12	27 May 2014	36,320	6.66	52.9
Lot 13	29 October 2014	34,320	7.08	55.8
Lot 14	20 March 2015	63,800	6.97	79.35
Lot 15	26 May 2015	40,000	7.16	84.9
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 CONSOLIDATED 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

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

Defined contribution plans

An amount of ₹ 875 lacs (previous year ₹ 712 lacs) and ₹ 11 lac (previous year ₹ 6 lacs) for the year, have been recognised as expenses in respect of the Group'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 Group on superannuation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act or as per the Group's Scheme, whichever is more beneficial. The gratuity plan is partly funded and the Group has made contribution to the recognised funds in India.

Risk Exposure

The defined benefit plans are typically based on certain assumptions and expose Group 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 Group 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	**1,699**	1,392
Addition due to business combination	**1,028**	-
Interest cost	**162**	91
Current service cost	**961**	362
Benefits paid	**(248)**	(103)
Actuarial loss/(gain) on obligation	**(266)**	(105)
Acquisition adjustment (net)	**-**	62
Present value of obligation as at the end of the year	**3,336**	1,699

NOTES TO THE CONSOLIDATED 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 Group'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	3,336	1,699
Fair Value of Plan assets as at end of the year	375	-
Unfunded Liability/Provision in balance sheet	2,961	1,699
Short term	247	111
Long term	2,714	1,588

Particulars	As at 31 March 2018	As at 31 March 2017
Current service cost	961	362
Interest cost on benefit obligation	162	91
	1,123	453

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	(266)	(105)
	(266)	(105)

vi) The principal assumptions used in determining gratuity for the Group'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)

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(All amounts in ₹ lacs, unless otherwise stated)

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	223
b)	1 to 2 Year	37
c)	2 to 3 Year	67
d)	3 to 4 Year	42
e)	4 to 5 Year	93
f)	5 to 6 Year	80
g)	6 Year onwards	1,815

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	**3,336**
Decrease in liability due to increase of 0.5 %	**249**
Increase in liability due to decrease of 0.5 %	**(225)**
Impact of the change in salary escalation rate	
Present value of obligation at the end of the year	**3,336**
Increase in liability due to decrease of 0.5 %	**243**
Decrease in liability due to increase of 0.5 %	**(221)**

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 ₹ 1,460 lacs (previous year ₹ 781 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

48. 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. The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2018, 31 March 2017 and 1 April 2016 as follows:

31 March 2018	Date of Valuation	Level 1	Level 2	Level 3
Financial assets				
Mutual funds	31 March 2018	-	-	-

31 March 2017	Date of Valuation	Level 1	Level 2	Level 3
Financial assets				
Mutual funds	31 March 2017	1,481	-	-

1 April 2016	Date of Valuation	Level 1	Level 2	Level 3
Financial assets				
Mutual funds	1 April 2016	8,203	-	-

C. 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.)

D. Valuation techniques used to determine fair value

Quoted market price has been used to determine the fair value of mutual funds.

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

Particulars	Level	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	15,000	15,000	15,000	15,000	15,000	15,000
Security deposits	Level 3	1,534	1,486	986	986	678	678
Other financial assets	Level 3	2,327	2,327	37	37	275	275
Total financial assets		**18,861**	**18,813**	**16,023**	**16,023**	**15,953**	**15,953**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Level	31 March 2018		31 March 2017		1 April 2016	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities							
Borrowings (including interest)	Level 3	183,971	183,971	67,201	67,201	114,462	114,462
Other financial liabilities	Level 3	-	-	1,723	1,723	588	588
Total financial liabilities		**183,971**	**183,971**	**68,924**	**68,924**	**115,050**	**115,050**

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.

49. 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	#	-	15,000	#	1,481	15,000	-	8,203	15,000
Security deposits	-	-	2,182	-	-	2,267	-	-	2,185
Trade receivables	-	-	14,599	-	-	8,697	-	-	7,246
Cash and cash equivalents	-	-	30,196	-	-	17,332	-	-	9,093
Other financial assets	-	-	46,838	-	-	16,071	-	-	29,397
Total financial assets	**-**	**-**	**108,815**	**-**	**1,481**	**59,367**	**-**	**8,203**	**62,921**
Financial liabilities									
Borrowings (including interest)	-	-	321,497	-	-	123,540	-	-	127,817
Trade payables	-	-	67,018	-	-	18,451	-	-	23,286
Other financial liabilities	-	-	51,975	-	-	49,497	-	-	37,299
Total financial liabilities	**-**	**-**	**440,490**	**-**	**-**	**191,488**	**-**	**-**	**188,402**

(# ₹ 10)

B. Risk management

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

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

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in these consolidated 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 Group causing a financial loss. The Group'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 Group 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 Group 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

The Group 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 Group 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	94,216	52,151	63,878
Moderate credit risk	Trade receivables	14,599	8,697	7,246
High credit risk	Trade receivables and other financial assets	5,429	1,768	998

Concentration of trade receivables

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

b) Expected credit losses

The Group 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 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	17,858	(3,259)	14,599
Other financial assets	20,577	(2,170)	18,407

As at 31 March 2017

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	10,465	(1,768)	8,697

NOTES TO THE CONSOLIDATED 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	8,244	(998)	7,246

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	(770)
Loss allowance on 31 March 2017	**(1,768)**
Changes in loss allowance*	(3,661)
Loss allowance on 31 March 2018	**(5,429)**

* Includes ₹ 672 lacs assumed in business combination (refer note 44)

c) **Liquidity risk**

Liquidity risk is the risk that suitable sources of funding for the Group'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 Group'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.

Financing arrangements

Fixed rate	**31 March 2018**
Expiring within one year (cash credit and other facilities-Fixed rate)	**36,567**
Expiring beyond one year (loans)	**-**
	36,567

Maturity of financial liabilities

31 March 2018	**Less than 1 year**	**1 to 5 years**	**Later than 5 years**	**Total**
	₹ In lacs	**₹ In lacs**	**₹ In lacs**	**₹ In lacs**
Borrowings (including interest)	138,258	184,257	-	**322,515**
Trade payable	67,018	-	-	**67,018**
Other financial liabilities	51,974	-	-	**51,974**

(All amounts in ₹ lacs, unless otherwise stated)

31 March 2017	Less than 1 year	1 to 5 years	Later than 5 years	Total
	₹ In lacs	₹ In lacs	₹ In lacs	₹ In lacs
Borrowings (including interest)	56,723	67,407	-	124,130
Trade payable	18,451	-	-	18,451
Other financial liabilities	47,774	-	-	47,774

1 April 2016	Less than 1 year	1 to 5 years	Later than 5 years	Total
	₹ In lacs	₹ In lacs	₹ In lacs	₹ In lacs
Borrowings (including interest)	8,338	120,199	-	128,537
Trade payable	23,286	-	-	23,286
Other financial liabilities	36,712	-	-	36,712

d) Market Risk

i. Foreign currency risk

The Group 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 Group's functional currency.

Particulars	As at 31 March 2018		
	Currency type		
	AUD	EURO	USD
Loans & advances recoverable	1	478	89
Trade receivable	-	-	33
Financial assets (A)	**1**	**478**	**122**
Loans and borrowings	-	-	96,572
Trade payables	1	3,737	1,953
Other current financial liabilities	-	-	11,309
Financial liabilities (B)	**1**	**3,737**	**109,834**
Net exposure (A-B)	**-**	**(3,259)**	**(109,711)**

Particulars	As at 31 March 2017		
	Currency type		
	AUD	EURO	USD
Balances with bank	-	-	271
Loans & advances recoverable	1	4	15,094
Trade receivable	-	-	4,044
Financial assets (A)	**1**	**4**	**19,409**
Loans and borrowings	-	-	13,776
Trade payables	-	3,435	81
Other current financial liabilities	-	-	13,172
Financial liabilities (B)	**-**	**3,435**	**27,029**
Net exposure (A-B)	**1**	**(3,431)**	**(7,620)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	As at 1 April 2016		
	Currency type		
	AUD	EURO	USD
Balances with bank	-	-	12,525
Loans & advances recoverable	1	92	279
Trade receivable	-	-	4,102
Financial assets (A)	**1**	**92**	**16,906**
Loans and borrowings	-	-	26,040
Trade payables	-	-	8,118
Other current financial liabilities	-	-	24,540
Financial liabilities (B)	**-**	**-**	**58,698**
Net exposure (A-B)	**1**	**92**	**(41,792)**

Sensitivity

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

Particulars	31 March 2018		
	Currency type		
	AUD	EURO	USD
Foreign exchange rate increased by 5% (previous year 5%)	**-**	**(163)**	**(5,300)**
Foreign exchange rate decreased by 5% (previous year 5%)	**-**	**163**	**5,300**

Particulars	31 March 2017		
	Currency type		
	AUD	EURO	USD
Foreign exchange rate increased by 5% (previous year 5%)	-	(172)	(2,311)
Foreign exchange rate decreased by 5% (previous year 5%)	-	172	2,311

ii. Interest rate risk

Liabilities

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

Particulars	31 March 2018	31 March 2017	1 April 2016
Variable rate borrowings	265,995	83,692	92,408
Fixed rate borrowings	49,395	30,000	30,000
Total borrowings	**315,390**	**113,692**	**122,408**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

b) **Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates

Particulars	31 March 2018	31 March 2017
Interest rates – increase by 50 basis points (31 March 2017 50 bps)	**(1,330)**	(418)
Interest rates – decrease by 50 basis points (31 March 2017 50 bps)	**1,330**	418

Assets

The Group'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**

a) **Exposure**

The exposure to price risk arises from investments held by the Group and classified in the balance sheet as fair value through profit and loss.

The majority of the group's investments are in mutual funds.

b) **Sensitivity**

As the investments held by the group are majorly in mutual fund, the impact on group's profit and loss due to change in price index can not be ascertained.

50. Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group 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.

As at 31 March, 2018, the Group 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 Group 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	31 March 2017	1 April 2016
Net debt	**315,390**	113,692	122,408
Total equity	**673,605**	39,702	30,872
Net debt to equity ratio	**0.47**	2.86	3.97

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

51. Taxation

Particulars	For the year ended	
	31 March 2018	31 March 2017
Income tax recognised in statement of profit and loss		
Current tax	**225**	9,816
Deferred tax	**(1,526)**	(7,080)
Total income tax expense recognised in the current year	**(1,301)**	2,736

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended	
	31 March 2018	31 March 2017
Income tax recognised in statement of profit and loss		
Profit before tax	**(9,791)**	10,949
Income tax using domestic tax rate*	**34.608%**	34.608%
Expected tax expense (A)	**(3,388)**	3,789
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of exempted income	**1,543**	1,406
Tax impact on account of permanent differences	**932**	(1,509)
Adjustments in respect of capital gain tax rate	**(235)**	(67)
Tax pertaining to prior years	**(259)**	(534)
Others	**106**	(349)
Total Adjustments (B)	**2,087**	(1,053)
Total Income tax expense	**(1,301)**	2,736

* Domestic tax rate applicable to the Group 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%

52. 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 Group fall under Direct to Home ('DTH') and teleport services, which is considered to be the only reportable segment by the CODM.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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53. Related party disclosures

a) Related parties with whom the Group had transactions:

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

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b) 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 other related parties:		
Revenue from operations and other income (net of taxes)		
Zee Entertainment Enterprises Limited	**1,573**	1,500
ZEE Media Corporation Limited	**1,081**	1,079
Zee Akaash News Private Limited	**216**	225
Siti Networks Limited	**156**	312
Satnet Private Limited	**12**	
Other related parties	**238**	244
Purchase of goods and services		
Zee Entertainment Enterprises Limited	**29,658**	17,859
ITZ Cash Card Limited	**937**	1,342
Taj Television (India) Private Limited	**-**	3,648
Essel Business Excellence Services Limited	**1,097**	1,042
Essel Corporate Resources Private Limited	**912**	832
ZEE Media Corporation Limited	**378**	286
Satnet Private Limited	**39**	29
Other related parties	**180**	670
Rent paid		
Zee Entertainment Enterprises Limited	**370**	305
Essel Corporate Resources Private Limited # ₹ 30,000	**#**	-
Rama Associates Limited	**37**	50
Satnet Private Limited	**-**	4
Reimbursement of expenses paid		
Zee Entertainment Enterprises Limited	**616**	463
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 (& ₹ 7,741)	**49**	&

NOTES TO THE CONSOLIDATED 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
Cyquator ($ ₹ 27,180)	**$**	527
Essel Corporate Resources Private Limited	**-**	4
C&S Medianet Private Limited	**30**	-
Others related parties (** ₹ 28,554 and ## ₹ 36,758)	**	##
Refunds received against advances made		
ITZ Cash Card Limited (^ ₹ 43,117)	**32**	^
Cyquator (# ₹ 18,172)	**#**	91
Essel Corporate Resources Private Limited	**4**	-
Others related parties ($ ₹ 8,204)	**-**	$
Refunds received against security Deposit		
Rama Associates Limited	**1,000**	-
Purchase of fixed assets		
ZEE Media Corporation Limited	**2**	-

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Advances		
ITZ Cash Card Limited	**290**	386
Zee Entertainment Enterprises Limited	**9**	-
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	**-**	4
Satnet Private Limited	**0**	4
Cyquator	**1,098**	1,098
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**	488
Essel Business Excellence Services Limited	**279**	222
Other related parties	**284**	344

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Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Trade receivables		
ATL Media Limited	**52**	115
ZEE Media Corporation Limited	**1,182**	1,027
Zee Entertainment Enterprises Limited	**575**	377
Satnet Private Limited	**1**	-
Zee Akaash News Private Limited	**96**	59
SITI Networks Limited	**167**	-
Others related parties	**77**	348

Note

As referred in Note 25, pending completion of documentation in the records of the lenders, personal guarantee of promoters of the transferor company (holding shares through entities disclosed under note 23(d) (iii) to (vi)) exist as at 31 March 2018.

54. Leases

a) Obligation on operating lease

The Group'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	**25,954**	17,685
Sub-lease rental Income (being shared cost)	**877**	898

b) Assets given under operating lease

The Group has leased out assets by way of operating lease. The gross book value of such assets at the end of the year, their accumulated depreciation and depreciation for the year are as given below:

Particulars	As at 31 March 2018	As at 31 March 2017
Gross value of assets	**203,375**	35,112
Accumulated depreciation	**58,971**	31,320
Net block	**144,404**	3,792
Depreciation for the year	**27,651**	10,624

The lease rental income recognised during the year in respect of non-cancellable operating leases and minimum obligations on long term non-cancellable operating lease receivable as per the rentals stated in the agreements are as follows:

Particulars	For the year ended	
	31 March 2018	31 March 2017
Lease rental income recognised during the year	**12,252**	1,420

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Total future minimum lease rentals receivable as at	
	31 March 2018	31 March 2017
Within one year	9,942	299
Later than one year and not later than five years	10,630	137

55. 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 made provision on a conservative basis 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 'Provision (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.

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 transferror 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. Transferror 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.

56. Auditors' remuneration

Particulars	For the year ended	
	31 March 2018	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

57. Earnings per share

a) Basic earnings per share

Particulars	For the year ended	
	31 March 2018	31 March 2017
Profit for the year attributable to equity shareholders (A)	(7,504)	9,206
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)	**(0.69)**	0.86

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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	**(7,504)**	9,206
Net profit adjusted for diluted earnings per share (A)	**(7,504)**	9,206
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)	**(0.69)**	**0.86**

58. 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*
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 Group 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 Group 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 Application money received against partly paid shares under 'Other current liability'.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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 Group, on an overall basis, are as below:

Particulars	Up to 31 March 2018	Up to 31 March 2017
Amount utilised		
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 utilised	**113,989**	**113,989**

59. 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 Group 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.

Upon opening, the GDR issue for USD 1,000 lacs (approx.) was fully subscribed and the Group received USD 1,000 lacs (approx.), towards the subscription money. Upon receipt of 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 Group Americas (being the depository) in lieu of the Global Depository Receipts 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 into 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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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

60. Contingent liabilities, litigations and commitments

a) Claims against the Group (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	**44,196**	6,505	4,733
Customs duty	**-**	109	795
Service tax*	**18,781**	7,195	7,195
Wealth tax	**1**	1	2
Entertainment tax	**23,589**	14,319	11,069
Other claims	**484**	484	489

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

Other than above, the Group 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 Group 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 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 Group 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 Group as part of the merger with Videocon d2h Limited.

Further, for the assessment year 2004-05, in case of Siti Cable Network Limited (a unit of which was merged with the Company), demand under section 271(1)(c) amounting ₹ 263 lakhs 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 and its subsidiary company DIsh Infra Services Private Limited has received notices / assessment orders in relation to applicability of above-mentioned taxes. The companies have 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

b) 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)	**18,929**	85,407	75,778

c) Others

i) In August 2016, the Hon'ble Delhi High Court (HC) passed an order retraining the Company from operation in MENA (Middle East and North Africa) region, on a plea brought by the UAE-based Group 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 is 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.

iv) The Dish Infra Services Private Limited, one of the subsidiary company, has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequete provision as required under the law/Ind AS for the material foreseeable losses on such long term contract(including derivative contracts) has been made in the books of accounts.

61. Additional information pursuant to schedule III of Companies Act 2013.

Name of the Company	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net profit/ (loss)	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated Total comprehensive income
Parent Group								
Dish TV India Limited	673,205	100%	3,334	-39%	81	23%	3,415	-42%
Indian subsidiary								
Dish Infra Services Private Limited.	26,265	4%	(9,202)	108%	92	26%	(9,110)	112%
Foreign subsidiary								
Dish T V Lanka (Private) Limited.	(10,908)	-2%	(4,470)	53%	184	51%	(4,286)	53%
Intra group elimination	(14,957)	-2%	1,848	-22%	-	-	1,848	-23%
Grand Total	**673,605**	**100%**	**(8,490)**	**100%**	**357**	**100%**	**(8,133)**	**100%**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

Profit or Loss attributable to "minority interest" and to owners of the parent in the Statement of Profit and Loss shall be presented as allocation for the year

Particulars	For the year ended	
	31 March 2018	31 March 2017
Profit for the year	**(8,490)**	8,212
Profit attributable to owners of the Group	**(7,504)**	9,206
Profit attributable minority interests	**(986)**	(994)
Total	**(8,490)**	8,212

Other comprehensive income attributable to "minority interest" and to owners of the parent in the Statement of Profit and Loss shall be presented as allocation for the year

Particulars	For the year ended	
	31 March 2018	31 March 2017
Profit for the year	**357**	457
Profit attributable to owners of the Group	**302**	341
Profit attributable minority interests	**55**	116
Total	**357**	457

62. Investment in Joint Venture

Particulars	C&S Medianet Private Limited	
	As at 31 March 2018	As at 31 March 2017
Current assets		
Cash and cash equivalents	**2**	1
Trade receivable	**29**	-
Other assets	**0**	0
Total current assets	**31**	**1**
Current liabilities		
Other Payables and Liabilities	**38**	**0**
Provisions	**-**	0
Total current liabilities	**38**	0
Net assets	**(7)**	1
Ownership interest	**48%**	48%
Carrying amount of interest*	**(3)**	0

'0' denotes amount less than ₹ 50,000

*The carrying amount of interest has been restricted to ₹ nil lacs on account of losses.

63. First time adoption of Ind AS

Transition to Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 4 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 consolidated balance sheet at 1 April 2016 (the date of transition). In preparing its opening Ind AS standalone balance sheet, the Group 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 Group's financial position, financial performance and cash flows is set out in the following tables and notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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 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 Group 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 joint ventures

The balance of the investment in subsidiaries and joint 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 Group applied paragraph 46A of AS 11 whereby exchange differences arising from translation of long-term foreign currency monetary items were capitalised/ 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 recognised upto 31 March 2016 has been deferred / capitalised. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets. From accounting periods commencing on or after 1 April 2017, exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post 1 April 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 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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.

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

Particulars	Note reference	Previous GAAP	IND AS Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	Note 1	180,197	5,400	185,597
Capital work-in-progress		61,002	(11,016)	49,986
Other Intangible Assets		810	-	810
Financial assets				-
Investments	Note 2	15,000	-	15,000
Loans		792	(114)	678
Other financial assets		275	-	275
Deferred tax assets (net)	Note 3	43,599	531	44,130
Current tax assets (net)		4,144	-	4,144
Other non-current assets	Note 9	11,988	(356)	11,632
		317,807	**(5,555)**	**312,252**
Current assets				
Inventories		1,256	-	1,256
Financial assets				
Investments		8,203	-	8,203
Trade receivable		7,246	-	7,246
Cash and cash equivalents		9,093	-	9,093
Other bank balances		24,824	-	24,824
Loans		1,507	-	1,507
Other financial assets	Note 9	5,298	(1,000)	4,298
Other current assets	Note 9	18,708	(475)	18,233
		76,135	**(1,475)**	**74,660**
Total assets		**393,942**	**(7,030)**	**386,912**

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note reference	Previous GAAP	IND AS Adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity share capital		10,659	-	10,659
Other equity	Note 4	27,412	(7,199)	20,213
Equity attributable to owners		**38,071**	**(7,199)**	**30,872**
Non- controlling Interest		-	-	-
		38,071	**(7,199)**	**30,872**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	Note 9	115,354	(5,738)	109,616
Other financial liabilities	Note 2	4,697	736	5,433
Provisions	Note 6	1,732	253	1,985
Other non-current liabilities		1,652	-	1,652
		123,435	**(4,749)**	**118,686**
Current liabilities				
Financial liabilities				
Borrowings	Note 9	284	-	284
Trade payables	Note 6	22,966	320	23,286
Other financial liabilities	Note 2	45,185	4,598	49,783
Other current liabilities		42,909	-	42,909
Provisions		119,329	-	119,329
Current tax liabilities		1,763	-	1,763
		232,436	**4,918**	**237,354**
		355,871	**169**	**356,040**
Total equity and liabilities		**393,942**	**(7,030)**	**386,912**

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

Particulars	Note reference	Previous GAAP	IND AS Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	Note 1	190,795	12,199	202,994
Capital work-in-progress	Note 1	78,677	(20,714)	57,963
Other intangible assets	Note 1	1,234	1	1,235
Financial Assets				
Investments		15,000	-	15,000
Loans	Note 2	1,118	(132)	986
Other financial assets		37	-	37
Deferred tax assets (net)	Note 3	51,003	171	51,174
Current tax assets (net)		4,969	-	4,969
Other non-current assets	Note 9	14,032	(601)	13,431
		356,865	**(9,076)**	**347,789**

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(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note reference	Previous GAAP	IND AS Adjustments	Ind AS
Current assets				
Inventories		1,308	-	1,308
Financial assets				
Investments	Note 9	1,441	40	1,481
Trade receivable		8,697	-	8,697
Cash and cash equivalents		17,332	-	17,332
Other bank balances		11,892	-	11,892
Loans		1,281	-	1,281
Other financial assets		4,142	-	4,142
Other current assets	Note 9	23,130	(37)	23,093
		69,223	**3**	**69,226**
Total assets		**426,088**	**(9,073)**	**417,015**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		10,659	-	10,659
Other equity	Note 4	38,400	(8,479)	29,921
Equity attributable to owners		**49,059**	**(8,479)**	**40,580**
Non- controlling Interest		-	(878)	(878)
Total equity		**49,059**	**(9,357)**	**39,702**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	Note 9	58,339	(206)	58,133
Other financial liabilities	Note 2	8,326	2,465	10,791
Provisions		2,307	-	2,307
Other non-current liabilities		1,672	-	1,672
		70,644	**2,259**	**72,903**
Current liabilities				
Financial liabilities				
Trade payables	Note 6	17,080	1,371	18,451
Other financial liabilities	Note 2	107,459	(3,346)	104,113
Other current liabilities		41,932	-	41,932
Provisions		139,913	-	139,913
Current tax liabilities		1	-	1
		306,385	**(1,975)**	**304,410**
		377,029	**284**	**377,313**
Total equity and liabilities		**426,088**	**(9,073)**	**417,015**

NOTES TO THE CONSOLIDATED 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	IND AS Adjustments	Ind AS
INCOME				
Revenues from operations		301,438	-	301,438
Other income	Note 2	4,158	1,992	6,150
Total income		**305,596**	**1,992**	**307,588**
EXPENSES				
Purchase of stock in trade		1,119	-	1,119
Changes in inventories of stock-in-trade		(52)	-	(52)
Operating expenses	Note 6	142,325	1,399	143,724
Employee benefits expense	Note 5	14,399	209	14,608
Finance costs		22,389	534	22,923
Depreciation and amortisation expense	Note 6	66,308	2,772	69,080
Other expenses		45,193	44	45,237
Total expenses		**291,681**	**4,958**	**296,639**
Profit before exceptional item and tax		13,915	(2,966)	10,949
Prior period items	Note 6	574	(574)	-
Profit before tax		13,341	(2,392)	10,949
Tax expense:				
- Current Tax		9,816	-	9,816
- Deferred Tax	Note 3	(7,403)	324	(7,079)
Profit for the year		**10,928**	**(2,716)**	**8,212**
Other comprehensive income				
Items that may be reclassified to profit or loss				
Foreign currency translation reserve		-	388	388
Income tax relating to these items		-	-	-
Items that will not be reclassified to profit or loss				
Remeasurements of post employment benefit obligations	Note 7	-	105	105
Income tax relating to these items	Note 7	-	(36)	(36)
Other comprehensive income for the year		**-**	**457**	**457**
Total comprehensive income		**10,928**	**(2,259)**	**8,669**

Notes A

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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

Particulars	Note Reference	31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		49,059	38,071
Adjustments:			
Impact of financial assets at amortised cost	Note 9	(10)	(10)
Impact of employee share based payment at fair value	Note 8	(176)	(75)
Impact of financial liabilities at amortised cost	Note 9	(900)	(364)
Impact of derivative instruments carried at fair value through profit and loss		1,241	(1,167)
Impact of investments carried at fair value through profit and loss		41	
Impact on PPE		(8,389)	(5,616)
Impact of translation of presentation currency		(511)	-
Impact of remeasurements of post-employment benefit obligations	Note 5	(106)	-
Prior period expense (refer note B)	Note 6	(1,388)	(573)
Tax impact on above adjustments	Note 3	209	533
Other Comprehensive income	Note 7	69	-
Share Option Outstanding Account	Note 8	157	73
Foreign Currency Translation Reserve		388	-
Securities Premium	Note 8	18	-
Total equity (shareholder's funds) as per Ind AS		**39,702**	**30,872**

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

Particulars	Note Reference	31 March 2017
Net loss after tax as reported under previous GAAP for 31 March 2017		10,928
Adjustments		
Impact of financial instruments at amortised cost	Note 9	(536)
Impact of employee share based payment at fair value	Note 8	(101)
Impact of derivative instruments carried at fair value through profit and loss	Note 9	2,408
Impact of investments carried at fair value through profit and loss	Note 9	41
Impact on PPE	Note 1	(2,773)
Impact of translation of presentation currency		(511)
Impact of remeasurements of post-employment benefit obligations	Note 5	(105)
Prior period expense	Note 6	(815)
Tax impact on above adjustments	Note 3	(324)
Net profit after tax as per Ind AS		**8,212**
Other Comprehensive income	Note 7	457
Total comprehensive income after tax as per Ind AS		**8,669**

(All amounts in ₹ lacs, unless otherwise stated)

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	82,039	110	82,149
Net cash used in investing activities	(62,346)	(110)	(62,456)
Net cash used in financing activities	(11,454)	-	(11,454)
Net increase in cash and cash equivalents	**8,239**	**-**	**8,239**
Cash and cash equivalents at the 1 April 2016	9,093	-	9,093
Cash and cash equivalents at the 31 March 2017	**17,332**	**-**	**17,332**

Notes 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 and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets and investment property 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 Group on behalf of subsidiary Group 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 Group. Accordingly the Group 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 Group in its subsidiary

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 pertaining to actuarial gain & Loss and same has been shown as other comprehensive income in the statement of Profit & 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

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	815	573
Depreciation and amortisation expense	2,773	
Total	**3,588**	**573**

Particulars	**31 March 2017**	**1 April 2016**
Property, plant and equipment	-	5,400
Capital work-in-progress	-	(11,016)
Total	**-**	**(5,616)**

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 Group 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. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

(All amounts in ₹ lacs, unless otherwise stated)

64. 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 Group was to spend a sum of approx. ₹ 189 lacs during the year ended 31 March 2018 (previous year ₹ 189) towards CSR activities. The details of amount actually paid by the Group 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

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