

# Sumit Gupta & Co.

Chartered Accountants

23, IInd Floor, T-565,

Pragati Complex, Chamelian Road,

Near Idgah Circle, Delhi-110006

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## Independent Auditor's Report

### To the Members of SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Private Limited) Report on the Financial Statements

1. We have audited the accompanying standalone financial statements of SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Private Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone financial statements are free from material misstatement.

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

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017 and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Other Matter(s)

9. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2016 and April 01, 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the shareholders of the Company dated 11 May 2016 and 28 August 2015 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

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11. Further to our comments in **Annexure 1**, as required by Section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified from being appointed as a director in terms of Section 164(2) of the Act;
  - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 20 May 2017 as per Annexure 2 expressed unqualified opinion; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company did not have any impact of pending litigations on its financial position in its Ind AS financial statements;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

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- iv. The Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016, on the basis of information available with the Company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management Refer Note I to the standalone Ind AS financial statements.

**For Sumit Gupta & Co.**

**Chartered Accountants**

**FRN. 022622N**

SD/-

**CA Sumit Gupta**

**(Partner)**

**Membership No 513086**

**Place- Delhi**

**Date- 20<sup>th</sup> May 2017**

**Annexure I to the Independent Auditor's Report of even date to the members of SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Private Limited), on the financial statements for the year ended 31-March-2017**

**Annexure-I**

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

- I. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company has not any immovable properties.
- II. The Company does not have any inventory. Accordingly, the provision of the clause 3(ii) of the Order are not applicable.
- III. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act Accordingly, the provision of the clause 3(iii)(a), 3(iv)(b) and 3(iii)(c) of the Order are not applicable
- IV. In our opinion, the company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security
- V. The Company has not accepted deposits within the meaning of sections 73 to 76 the Act and the Companies (Acceptance of Deposits) Rule, 2014 (as amended). Accordingly the provision of clause 3(v) of the Order Are not applicable
- VI. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable
- VII. (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities. Further, no disputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six month from the date they become payable.
- (b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute

**Annexure I to the Independent Auditor's Report of even date to the members of SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Private Limited), on the financial statements for the year ended 31-March-2017**

- VIII. The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable
- IX. The Company did not raised moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loan outstanding during the year Accordingly, the provision of clause 3(ix) of the Order are not applicable.
- X. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit
- XI. In our opinion, the provisions of section 197 of the Act read with Schedule V to the Act is not applicable to the Company as the Company does not pay any remuneration to its directors. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- XII. In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable
- XIII. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standard
- XIV. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- XV. The Company has not entered into any non cash transaction with directors or person connected with him.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Sumit Gupta & Co.  
Chartered Accountants  
FRN. 022622N**

**SD/-  
CA Sumit Gupta  
(Partner)  
Membership No 513086  
Place- Delhi  
Date- 20<sup>th</sup> May, 2017**

## **Annexure II**

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

1. In conjunction with our audit of the IND AS financial statements of SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Private Limited) ("the Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on IFCoFR criteria established by the company. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

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

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

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

5. 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**

6. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on IFCoFR criteria.

**For Sumit Gupta & Co.**  
**Chartered Accountants**  
**Firm's Registration No.: 022622N**

**SD/-**  
**CA Sumit Gupta**  
**Partner**  
**Membership No.: 513086**

**Place: Delhi**  
**Date: 20<sup>th</sup> May 2017**



**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

**Statement of Financial Position as at March 31, 2017**

	Notes	March 31, 2017 ` millions	March 31, 2016 ` millions	April 1, 2015 ` millions
<b>A. Assets</b>				
<b>1. Non-current assets</b>				
<b>Fixed assets</b>				
(a) Property, plant and equipment	4	116.26	59.62	
(b) Capital work-in-progress	4	0.10		
(c) Other intangible assets				
(d) Intangible assets under development				
(e) Financial assets				
(i) Loans	5	1.27	0.06	
(ii) Deferred Tax	6	2.94		
(f) Other non-current assets	7	1.01	0.28	
<b>Sub-total of Non-current assets</b>		<b>121.58</b>	<b>59.96</b>	-
<b>2. Current assets</b>				
(a) Inventories				
(b) Financial assets				
(i) Trade receivables	8	17.03	30.70	
(ii) Cash and bank balances	9	6.90	1.10	
(c) Current tax assets				
(d) Other current assets	10	3.74	0.63	0.10
<b>Sub-total of Current assets</b>		<b>27.66</b>	<b>32.43</b>	<b>0.10</b>
<b>Total assets</b>		<b>149.24</b>	<b>92.39</b>	<b>0.10</b>
<b>B. Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	11	0.20	0.20	0.10
(b) Other equity	12	18.69	18.54	(0.01)
(c) Non-controlling interests				
<b>Sub-total - Equity</b>		<b>18.89</b>	<b>18.74</b>	<b>0.10</b>
<b>Liabilities</b>				
<b>1. Non-current liabilities</b>				
(a) Financial liabilities				
(b) Provisions				
(c) Deferred tax liability (net)	13		1.61	
(d) Other non-current liabilities	14	5.75	2.81	
<b>Sub-total - Non-current liabilities</b>		<b>5.75</b>	<b>4.42</b>	-
<b>2. Current liabilities</b>				
(a) Financial liabilities				
(i) Trade payables	15	112.78	58.67	0.01
(b) Other current liabilities	16	11.82	10.46	
(c) Provisions	17	-	0.11	
<b>Sub-total of current liabilities</b>		<b>124.60</b>	<b>69.24</b>	<b>0.01</b>
<b>Total equity and liabilities</b>		<b>149.24</b>	<b>92.39</b>	<b>0.10</b>

Summary of significant accounting policies 3

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

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

**For Sumit Gupta & Co.**  
Firm Registration No:- 022622N  
Chartered Accountants

**For and on behalf of the Board of Directors of SITI Prime Uttaranchal Communication Pvt. Ltd.**

SD/-

**CA Sumit Gupta**  
Partner  
M.No.:- 513086  
Place : New Delhi  
Date :- 20-May-2017

SD/-  
**(NIKESH GOYAL)**  
Director  
DIN- 07558862

SD/-  
**(PARISH AGRAWAL)**  
Director  
DIN- 07244029

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
Statement of Financial Performance for the year ended March 31, 2017

	Notes	March 31, 2017 ` millions	March 31, 2016 ` millions
<b>Revenue</b>			
Revenue from operations	18	68.31	23.21
Other income			
<b>Total revenue</b>		<b>68.31</b>	<b>23.21</b>
<b>Expenses</b>			
Cost of materials consumed			
Purchases of traded goods			
Carriage sharing, pay channel and related costs		26.36	
Employee benefits expense	19	3.01	
Finance costs	20	0.12	0.01
Depreciation and amortisation expenses	21	11.49	3.33
Other expenses	22	31.73	24.50
<b>Total expenses</b>		<b>72.71</b>	<b>27.85</b>
<b>Loss before prior period expenses</b>		<b>(4.40)</b>	<b>(4.63)</b>
Prior period expenses			
<b>Loss before and after tax</b>		<b>(4.40)</b>	<b>(4.63)</b>
<b>Current Tax</b>			0.11
<b>Deffered Tax</b>		(4.55)	1.61
		(4.55)	1.71
<b>Profit after Tax</b>		<b>0.15</b>	<b>(6.35)</b>
Loss per share after tax	23		
Basic		(0.00)	(0.00)
Diluted		(0.00)	(0.00)
Summary of significant accounting policies	3		

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

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

**For Sumit Gupta & Co.**  
Firm Registration No:- 022622N  
Chartered Accountants

**For and on behalf of the Board of Directors of SITI Prime  
Uttaranchal Communication Pvt. Ltd.**

SD/-  
**CA Sumit Gupta**  
Partner  
M.No.:- 513086  
Place : New Delhi  
Date :- 20- May-2017

SD/-  
**Nikesh Goyal**  
Director  
DIN- 07558862

SD/-  
**Parish Aggarwal**  
Director  
DIN- 07244029

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (formerly known as Capital Digital Multimedia Private Limited)**

Cash flow statement for the year ended March 31,2017

<b>Cash flow from operating Activities</b>	<b>March 31,2017</b>	<b>March 31, 2016</b>
		` in Mn
Profit before tax from continuing operations	(4.40)	(4.63)
<b>Non Cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation/Amortisation on continuing operations	11.49	3.33
<b>Operating Profits before working capital changes</b>	<b>7.10</b>	<b>(1.30)</b>
<b>Movement in working capital:</b>		
Increase/(Decrease) in other non current liabilities	2.94	2.81
Increase/(Decrease) in trade payables	54.11	83.55
Increase/(Decrease) in other current liabilities	1.25	10.46
Decrease/(Increase) in long terms loans and advances & Other non current assets	(1.94)	(0.34)
Decrease/(Increase) in trade receivables	13.68	(30.70)
Decrease/(Increase) in short terms loans and advances & Other current assets	(3.11)	(0.53)
<b>Cash generated from/(used) in operations</b>	<b>74.02</b>	<b>63.96</b>
Direct tax paid(net of refunds)		
<b>Net Cash flow from/(used) in operating activities (A)</b>	<b>74.02</b>	<b>63.96</b>
<b>Cash Flow from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances	(68.23)	(62.96)
Proceeds of non current investments		
Long-term loans and advances		
<b>Net Cash flow from/(used) in investing activities (B)</b>	<b>(68.23)</b>	<b>(62.96)</b>
<b>Cash Flow from Financing activities (C)</b>		
Proceeds from issuance of equity share capital		0.10
Proceeds from issuance of OCD		
<b>Net Cash flow from/(used) in Financing activities (C)</b>	<b>-</b>	<b>0.10</b>
<b>Net Increase/(Decrease) in cash and cash equivalent (A+B+C)</b>	<b>5.80</b>	<b>1.10</b>
Effect of exchange difference in cash and cash equivalents held in foreign currency		
Cash and cash equivalent at the beginning of the year	1.10	
<b>Cash and cash equivalent at the end of the year</b>	<b>6.90</b>	<b>1.10</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.11	0.10
<b>With Bank-on current account</b>	<b>6.79</b>	<b>1.00</b>
<b>Total Cash and cash equivalent</b>	<b>6.90</b>	<b>1.10</b>

For Sumit Gupta & Co.  
Firm Registration No:- 022622N  
Chartered Accountants

SD/-  
CA Sumit Gupta  
Partner  
M.NO:- 513086  
Place:- Delhi  
Date:- 20-May-2017

For and on behalf of the Board of Directors of  
SITI Prime Uttaranchal Communication Pvt. Ltd.

SD/-                      SD/-  
Nikesh Goyal              Parish Aggarwal  
Director                      Director  
07558862                      07244029

SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

4 Tangible assets	(` millions)												
Gross block	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Air conditioners	Studio equipment	Vehicles	Leasehold improvements	Set top boxes	IRD boxes	Total	CWIP
Balance as at April 1, 2015												-	
Additions			0.16	5.34	0.03			0.07	-	57.36		62.96	
Disposal												-	
<b>Balance as at March 31, 2016</b>	-	-	<b>0.16</b>	<b>5.34</b>	<b>0.03</b>	-	-	<b>0.07</b>	-	<b>57.36</b>	-	<b>62.96</b>	
Additions			-		1.99	-		-	-	66.13		68.13	0.10
Disposal												-	
<b>Balance as at March 31, 2017</b>	-	-	<b>0.16</b>	<b>5.34</b>	<b>2.02</b>	-	-	<b>0.07</b>	-	<b>123.49</b>	-	<b>131.08</b>	<b>0.10</b>
<b>Accumulated depreciation</b>													
Balance as at April 1, 2015												-	
Charge for the year			0.03	0.39	0.00			0.00		2.91		3.33	
Reversal on disposal of assets												-	
<b>Balance as at March 31, 2016</b>	-	-	<b>0.03</b>	<b>0.39</b>	<b>0.00</b>	-	-	<b>0.00</b>	-	<b>2.91</b>	-	<b>3.33</b>	
Charge for the year			0.05	0.66	0.12			0.01		10.66		11.49	
Reversal on disposal of assets												-	
<b>Balance as at March 31, 2017</b>	-	-	<b>0.08</b>	<b>1.05</b>	<b>0.12</b>	-	-	<b>0.01</b>	-	<b>13.57</b>	-	<b>14.83</b>	
<b>Net block</b>													
<b>Balance as at March 31, 2016</b>	-	-	<b>0.14</b>	<b>4.95</b>	<b>0.03</b>	-	-	<b>0.06</b>	-	<b>54.44</b>	-	<b>59.62</b>	
<b>Balance as at March 31, 2017</b>	-	-	<b>0.09</b>	<b>4.29</b>	<b>1.90</b>	-	-	<b>0.05</b>	-	<b>109.92</b>	-	<b>116.26</b>	<b>0.10</b>

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

5	<b>Loans</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>April 1, 2015</b>
		<b>` millions</b>	<b>` millions</b>	<b>` millions</b>
	<b>Security deposits</b>			
	Unsecured, considered good	1.27	0.06	
	Doubtful			
		1.27	0.06	-
		-		
	Less: Provision for doubtful security deposits			
		<b>1.27</b>	<b>0.06</b>	-
6	<b>Deffered Tax Assets</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>April 1, 2015</b>
		<b>` millions</b>	<b>` millions</b>	<b>` millions</b>
	Deffred Tax	2.94		
		2.94	-	-
7	<b>Other non-current assets</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
		<b>` millions</b>	<b>` millions</b>	<b>` millions</b>
	Capital advances			
	Other advances			
	Prepaid expenses	1.01	0.28	
	Ancillary cost of arranging for borrowings			
		<b>1.01</b>	<b>0.28</b>	-
8	<b>Trade receivables</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>April 1, 2015</b>
		<b>` millions</b>	<b>` millions</b>	<b>` millions</b>
	Unsecured, considered good	17.03	30.70	
	Unsecured, considered doubtful			
		17.03	30.70	-
	Less: Provision for doubtful debts			
		17.03	30.70	-
	<b>Other receivables</b>			
	Unsecured, considered good			
		<b>17.03</b>	<b>30.70</b>	-

<b>9</b>	<b>Cash and bank balances</b>	<b>Current March 31, 2017 ` millions</b>	<b>Current March 31, 2016 ` millions</b>	<b>Current April 1, 2015 ` millions</b>
	<b>Cash and cash equivalents</b>			
	Cash on hand	0.11	0.10	
	Cheques on hand			
	Balances with banks			
	On current accounts	6.79	1.00	
	In deposit account (with maturity upto three months)			
		<b>6.90</b>	<b>1.10</b>	<b>-</b>
<b>10</b>	<b>Other loans and advances (Unsecured, considered good)</b>	<b>March 31, 2017 ` millions</b>	<b>March 31, 2016 ` millions</b>	<b>April 1, 2015 ` millions</b>
	Balances with statutory authorities	3.74	0.63	0.10
		<b>3.74</b>	<b>0.63</b>	<b>0.10</b>
<b>11</b>	<b>Share capital</b>	<b>March 31, 2017 ` millions</b>	<b>March 31, 2016 ` millions</b>	<b>April 1, 2015 ` millions</b>
	<b>Authorised share capital</b>			
	20,000 (Previous year: 10,000) equity shares of ` 10 each	0.20	0.20	
	<b>Total authorised capital</b>	<b>0.20</b>	<b>0.20</b>	<b>-</b>
	<b>Issued share capital</b>			
	<b>Total issued capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Subscribed and fully paid up capital</b>			
	20,000 (Previous year: 10,000) equity shares of ` 10 each	0.20	0.20	0.10
	<b>Total paid up capital</b>	<b>0.20</b>	<b>0.20</b>	<b>0.10</b>
		<b>0.20</b>	<b>0.20</b>	<b>0.10</b>
<b>12</b>	<b>Other Equity</b>	<b>March 31, 2017 ` millions</b>	<b>March 31, 2016 ` millions</b>	<b>April 1, 2015 ` millions</b>
	Securities premium account			
	Balance at the beginning of the year	18.54	(0.01)	-
	Add: Received on issue of equity shares		24.89	(0.01)
	Balance at the end of the year	<b>18.54</b>	<b>24.88</b>	<b>(0.01)</b>
	Deficit in the Statement of profit and loss			
	Balance at the beginning of the year			
	Add: Loss /Profit for the year	0.15	(6.35)	
	Balance at the end of the year	<b>0.15</b>	<b>(6.35)</b>	<b>-</b>
		<b>18.69</b>	<b>18.54</b>	<b>(0.01)</b>

13	<b>Deferred tax liability (net)</b>	<b>March 31, 2017</b> ` millions	<b>March 31, 2016</b> ` millions	<b>April 1, 2015</b> ` millions
	Deferred Tax		1.61	-
		-	<b>1.61</b>	-
14	<b>Other liabilities</b>	<b>March 31, 2017</b> ` millions	<b>March 31, 2016</b> ` millions	<b>April 1, 2015</b> ` millions
	Deferred Activation Revenue	5.75	2.81	-
		<b>5.75</b>	<b>2.81</b>	-
15	<b>Trade payables</b>	<b>March 31, 2017</b> ` millions	<b>March 31, 2016</b> ` millions	<b>April 1, 2015</b> ` millions
		112.78	58.67	0.01
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>112.78</b>	<b>58.67</b>	<b>0.01</b>
16	<b>Other Current Liabilities</b>	<b>March 31, 2017</b> ` millions	<b>March 31, 2016</b> ` millions	<b>April 1, 2015</b> ` millions
	Deferred Activation Revenue	12.59	7.38	-
	Payable for statutory liabilities	(0.77)	3.08	-
		<b>11.82</b>	<b>10.46</b>	-
17	<b>Provisions</b>	<b>March 31, 2017</b> ` millions	<b>March 31, 2016</b> ` millions	<b>April 1, 2015</b> ` millions
	Provision for tax		0.11	
		-	<b>0.11</b>	-

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital  
Digital Multimedia Pvt. Ltd.)**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

**18 Revenue from operations**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Sale of services		
Subscription income	25.96	1.32
Advertisement income	-	-
Carriage income	16.85	
Activation and Set top boxes pairing charges	25.51	21.89
	<b>68.31</b>	<b>23.21</b>

**19 Employee benefits expense**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Salaries, allowances and bonus	2.92	-
Contributions to provident and other funds	-	-
Employee benefits expenses		
Staff welfare expenses	0.09	-
	<b>3.01</b>	<b>-</b>

**20 Finance costs**

	March 31, 2017 ` millions	March 31, 2016 ` millions
Interest	-	-
Bank charges	0.12	0.01
Amortisation of borrowing and ancillary costs	-	-
	<b>0.12</b>	<b>0.01</b>



**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital  
Digital Multimedia Pvt. Ltd.)**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

<b>21 Depreciation and amortisation expenses</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Depreciation of tangible assets (Refer note 4)	11.49	3.33
Amortisation of intangible assets	-	-
	<b>11.49</b>	<b>3.33</b>
<b>22 Other expenses</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Rent	1.95	0.88
Rates and taxes	0.03	0.12
Communication expenses	0.06	0.01
Electricity and water charges	0.56	0.04
Legal, professional and consultancy charges	0.13	-
Printing and stationery	0.01	-
Service charges	0.30	0.12
Other operational cost	27.03	23.09
Miscellaneous expenses	1.66	0.24
	<b>31.73</b>	<b>24.50</b>
<b>23 Earnings per share</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Loss attributable to equity shareholders	(4.40)	(4.63)
Number of weighted average equity shares		
Basic	20,000	20,000
Diluted	20,000	20,000
Nominal value of per equity share (₹)	10	10
Loss per share after tax (₹)		
Basic	(0.00)	(0.00)
Diluted	(0.00)	(0.00)

**NOTES : SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31<sup>st</sup> MARCH, 2017**

**1 CORPORATE INFORMATION:**

SITI Prime Uttaranchal Communication Private Limited (Formerly known as Capital Digital Multimedia Private Limited) (hereinafter referred to as 'the Company') was incorporated in the state of Delhi on 18<sup>th</sup> July, 2014 and is a subsidiary of SITI Networks Limited (hereinafter referred to as the 'Parent Company'). The Company is in the business of providing cable TV services to the end consumers.

**2 BASIS OF PREPARATION:**

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

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The Company has adopted all the Ind AS standard and the adoption was carried out in accordance with Ind AS 101-First time adoption of Indian Accounting Standards. Reconciliations and descriptions of the effect of the transition have been summarized in Note 3.12.

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of business and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

**3.1 USE OF ESTIMATES:**

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

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

**3.2 RECOGNITION OF REVENUE:**

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction.

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

**CIN: U64200DL2014PTC269035**

**Income from Services**

- Subscription revenue and other Services revenue are recognized on completion of services.
- Carriage fees are recognized on accrual basis over the terms of related agreements.
- Activation and set top box pairing charges are recognized as revenue to the extent it relates to pairing and transfer of the related boxes and when no significant uncertainty exists regarding the amount of consideration that will be derived and the upfront obligation is discharged. Where part of the revenue collected at the time of activation relates to future service to be provided by the company, a part of activation revenue is deferred and recognized over the associated service contract period or customer life. Out of activation income during the year, 65% income is recognized in the same year and rest 35% will be recognized in next 16 quarter equally.

**3.3 RECOGNITION OF INCOME AND EXPENSE:**

Items of income and expenditure are recognized on accrual basis.

**3.4 Cash & Cash Equivalents**

Cash & Cash equivalents are comprise cash at bank and in hand, cheques in hand and short term investments with an original maturity of three months or less.

**3.5 TRADE RECEIVABLES:**

Trade Receivable are recognized initially at fair value and subsequently at amortised cost using the effective intent method, loss promise for impairment

**3.6 PLANT, PROPERTY AND EQUIPMENT**

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

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

**Asset categoryRate of depreciation/ amortization**

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

However, during the current year no depreciation has been provided on tangible assets as the remaining carrying amount is equal to the 5% of the original cost.

**3.7 INVESTMENTS:**

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

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.  
However, the company does not have any investments during the current year.

**3.8 INVENTORIES:**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.  
However, the company does not have any inventory during the current year.

**3.9 INCOME TAXES:**

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

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

During the current year, the company has incurred Profit and hence deferred tax Assetsof .

**3.10 EVENTS OCCURRING AFTER BALANCE SHEET DATE:**

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

**3.11 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:**

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

Contingent liability is disclosed for:

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

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

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

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

**CIN: U64200DL2014PTC269035**

**Notes to the financial statement for the year ended March 31, 2017**

**3.12 First – time adoption of IND AS**

The financial statement year ended March 31, 2017 have been prepared in accordance with Ind AS. For the purposes of transition to IndAS , the company has followed the guidance prescribed in Ind AS- first time adoption of Indian Accounting Standard , with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

**i) Reconciliations**

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

**Reconciliation of Profit**

Particulars	` in Millions		
	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
- Profit Upto the year 2014-2015 as per previous Indian GAAP		(0.01)	<b>(0.01)</b>
Deferred Activation Income as per IND AS			
Total Comprehensive Income upto FY 2014-15		<b>(0.01)</b>	<b>(0.01)</b>
Add: Received on issue of equity shares	24.89		<b>24.89</b>
Total Comprehensive Income for the FY 2015-16		(6.35)	<b>(6.35)</b>
Total Comprehensive Income Upto FY 2015-16	<b>24.89</b>	<b>(6.35)</b>	<b>18.54</b>
<b><u>Balance as at 1 April 2016</u></b>	<b>24.89</b>	<b>(6.35)</b>	<b>18.54</b>
Total Comprehensive Income for the FY 2016-17		0.15	<b>0.15</b>
<b>Balance as at 31 March 2017</b>	<b>24.89</b>	<b>(6.20)</b>	<b>18.69</b>

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

Particulars	Twelve months ended March 31, 2016
Net profit / (loss) after tax as reported under previous Indian GAAP	3.84
<b>Adjustments :</b>	-
Effect of actuarial gain on defined benefit plan taken to other comprehensive income	
Effect of recognition of activation and set top boxes pairing charges	(10.19)
Effect of prior period expenses	
<b>Net loss after tax as reported under Ind AS</b>	<b>(6.35)</b>
Other comprehensive income after tax	
<b>Total comprehensive income after tax</b>	<b>(6.35)</b>

**Reconciliation of Liability**

Particulars	` in Millions	
	Liability	
	Non Current Liability	Current Liability
-		
Liability Upto the year 2014-2015 as per previous Indian GAAP		
Deferred Activation Income as per IND AS		
<b>Total Comprehensive Liability upto FY 2014-15</b>		-
Total Comprehensive Liability for the FY 2015-16	<b>2.81</b>	10.46
<b>Total Comprehensive Liability Upto FY 2015-16</b>	<b>2.81</b>	<b>10.46</b>
<b><u>Balance as at 1 April 2016</u></b>	<b>2.81</b>	<b>10.46</b>
Total Comprehensive Liability for the FY 2016-17	2.94	1.35
<b>Balance as at 31 March 2017</b>	<b>5.75</b>	<b>11.82</b>

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

**NOTE: EXPLANATORY/ CLARIFICATORY NOTES:**

- A. No dividend has been proposed by the Directors of the Company due to nominal loss of the company.
- B. Balances of sundry creditors and debtors are subject to confirmation from the respective parties.
- C. In the opinion of the Board, current assets, loans & advances have a value in the ordinary course of business at least equal to that stated in Balance Sheet.

**D. Auditors Remuneration:2016-17**

<b><u>SL. NO.</u></b>	<b><u>PARTICULARS</u></b>	<b><u>F/Y 2016-17</u></b>	<b><u>F/Y 2015-16</u></b>
<b>1.</b>	<b>AUDIT FEES</b>	<b>Rs. 35,000/-</b>	<b>Rs. 35,000/-</b>

**E. RELATED PARTY DISCLOSURES:-**

**Names of related parties:**

Siti Networks Limited (formerly Siti Cable Network Limited)	Holding Company
Wire And Wireless Tisai Satellite Limited, Mumbai	Fellow Subsidiary
Indian Cable Net Company Limited, Kolkata	Fellow Subsidiary
Central Bombay Cable Network Limited, Delhi	Fellow Subsidiary
Siti Faction Digital Private Limited, Delhi	Fellow Subsidiary
Master Channel Community Network Pvt. Ltd., Vijayawada	Fellow Subsidiary
Siti Vision Digital Media Private Limited, Delhi	Fellow Subsidiary
SitiJind Digital Media Communications Private Limited, Delhi	Fellow Subsidiary
Siti Jai MaaDurge Communications Private Limited, Delhi	Fellow Subsidiary
Siti Bhatia Network Entertainment Private Limited, Chhattisgarh	Fellow Subsidiary
Siti Krishna Digital Media Private Limited	Fellow Subsidiary
SitiJony Digital Cable Network Private Limited	Fellow Subsidiary
Siti Guntur Digital Network Private Limited	Fellow Subsidiary
Siti Global Private Limited	Fellow Subsidiary
SitiChhatisgarh Media Network Private Limited	Fellow Subsidiary
SitiKarnal Digital Media Private Limited	Fellow Subsidiary
Siti Broadband Services Private Limited	Fellow Subsidiary
SitiMaurya Cable Net Private Limited	Fellow Subsidiary

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

Indinet Service Private Limited	Fellow Subsidiary
Axom Communications & Cable Private Limited	Fellow Subsidiary
Siti Siri Digital Network Pvt. Ltd.	Fellow Subsidiary
Bargachh Digital Communication Network Private Limited	Fellow Subsidiary
SitiSaistar Digital Media Pvt. Ltd. (formerly known as SaistarDigitalmedia Private Limited)	Fellow Subsidiary
Variety Entertainment Private Limited	Fellow Subsidiary
Voice Snap Services Private Limited	Fellow Associate

**Other Related Parties:**

Mr. Anil Kumar Malhotra - Director  
 Mr. Anil Kumar Jain - Director

F. Transactions entered into by the Company with its holding company during the relevant Financial Year are as under:

**- Sale/ purchase of goods and services**

	Year ended	Amount Received	Amount Paid	Amount owed by related parties	Amount owed to related parties
<b>Holding Company</b>					
Siti Network Limited (Formerly known as Siti Cable Network Private Limited)	March 31, 2017	9,99,45,331.40	4,33,67,092.74		8,41,13,902.01/-
	March 31, 2016	6,31,58,089.00	3,56,22,425.75		2,75,35,633.35/-

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

Particulars	31-March-2017	31-March-2016
Profit/(Loss) after Tax	<b>1,53,798.43</b>	<b>(63,47,428.76)</b>
Number of Equity Shares	10,000	10,000
Nominal Value of Equity Shares	10	10
<b>Basics Earnings per Share</b>	<b>15.38</b>	<b>(637.74)</b>



**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

**H.** Other disclosures are made as under :

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

**I.** As required by the MCA notification G.S.R. 308(E) dated 30.03.2017, the details of **Specified Bank Notes (SBN)** held and transacted during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016, the denomination wise SBNs and other notes is given below:

<b>Particulars</b>	<b>SBNs*</b>	<b>Other Denomination Notes</b>	<b>Total</b>
Closing Cash in Hand as on 8 <sup>th</sup> November 2016	26,70,500.00	91,930.00	<b>27,62,430.00</b>
(+) Permitted Receipts	0.00	11,27,420.00	<b>11,27,420.00</b>
(-) Permitted Payments	0.00	0.00	<b>0.00</b>
(-) Amount deposited in Bank	26,70,500.00	11,27,520.00	<b>37,98,020.00</b>
Closing Cash in Hand as on 30 <sup>th</sup> December 2016	0.00	91,830.00	<b>91,830.00</b>

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

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

**J TAX EXPENSE**

<b>Tax Expense</b>			
The major components of income tax for the year are as under:			<b>Rs in million</b>
		<b>March 31, 2017</b>	<b>April 01, 2016</b>
<b>Income tax related to items recognised directly in the statement of profit and loss</b>			
Current tax - current year		-	0.11
Deferred tax charge / (benefit)		-4.6	1.6
<b>Total</b>		<b>-4.6</b>	<b>1.7</b>
Effective tax rate		103.5%	-37.0%
<b>A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the Company's effective income tax rate for the year ended 31 March, 2017 and 31 March, 2016 is as follows:</b>			
Loss before tax		-4.4	-4.6
Effective tax rate		30.9%	30.9%
Tax at statutory income tax rate		0	0
Tax effect on non-deductible expenses			
Additional allowances for tax purposes			
Effect of tax on group companies incurring losses			
Effect of tax rate difference of subsidiaries			
Other permanent difference		-4.6	1.7
<b>Tax expense recognised in the statement of profit and loss</b>		<b>-4.6</b>	<b>1.7</b>
		-4.55	1.71
		-	-

**K FAIR VALUE MEASUREMENT**

<b>Fair value measurements</b>				
<b>A. Financial instruments by category</b>				<b>Rs in million</b>
		<b>NOTES</b>	<b>March 31, 2017</b>	
			<b>FVTPL</b>	<b>Amortised cost</b>
<b>Financial assets</b>				
Bank deposits		5	-	1.27

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

Amount recoverable			-	
Interest accrued and not due on fixed deposits			-	
Security deposits			-	
Unbilled revenues			-	
Trade receivables		8	-	17.03
Investments (Current, financial assets)			-	
Cash and cash equivalents		9	-	6.90
<b>Total financial assets</b>			-	<b>25.20</b>
<b>Financial liabilities</b>				
Borrowings (Non-current, financial liabilities)			-	
Borrowings (Current, financial liabilities)			-	
Payables for purchase of property, plant and equipment			-	
Security deposits received from customer			-	
Trade payables		15	-	112.78
Other financial liabilities (current)			-	
<b>Total financial liabilities</b>			-	<b>112.78</b>
				<b>Rs in million</b>
				<b>March 31, 2016</b>
			<b>FVTPL</b>	<b>Amortised cost</b>
<b>Financial assets</b>				
Bank deposits			-	
Amount recoverable			-	
Interest accrued and not due on fixed deposits			-	
Security deposits		5	-	0.06
Unbilled revenues			-	
Trade receivables		8	-	30.70

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

Investment (Current, financial assets)			-	
Cash and cash equivalents		9	-	1.10
Other bank balances			-	
<b>Total financial assets</b>			-	<b>31.87</b>
<b>Financial liabilities</b>				
Borrowings (non-current, financial liabilities)			-	
Borrowings (Current, financial liabilities)			-	
Payables for purchase of property, plant and equipment			-	
Security deposits			-	
Trade payables		15	-	58.67
Other financial liabilities (current)			-	
<b>Total financial liabilities</b>			-	<b>58.67</b>
				<b>Rs in million</b>
				<b>April 01, 2015</b>
			<b>FVTPL</b>	<b>Amortised Cost</b>
<b>Financial assets</b>				
Bank deposits			-	
Amount recoverable			-	
Interest accrued and not due on fixed deposits			-	
Security deposits			-	
Investment (Non- current, financial assets)			-	
Unbilled revenues			-	
Trade receivables			-	
Investment (Current, financial assets)			-	
Cash and cash equivalents			-	
Other bank balances			-	
<b>Total financial assets</b>			-	-

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

**CIN: U64200DL2014PTC269035**

<b>Financial liabilities</b>				
Borrowings (non-current, financial liabilities)			-	
Borrowings (current, financial liabilities)			-	
Payables for purchase of property, plant and equipment			-	
Security deposits			-	
Trade payables		15	-	0.01
Other financial liabilities (current)			-	
<b>Total financial liabilities</b>			<b>-</b>	<b>0.01</b>
<b>B.Fair value of financial assets and liabilities measured at amortised cost</b>				<b>Rs in million</b>
		<b>March 31, 2017</b>	<b>March 31, 2016</b>	
		<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>
				<b>Fair value</b>
<b>Financial assets</b>				
Bank deposits	1.27	1.27	-	-
Amount recoverable	-	-	-	-
Interest accrued and not due on fixed deposits	-	-	-	-
Security deposits	-	-	0.06	0.06
Unbilled revenue	-	-	-	-
Trade receivables	17.03	17.03	30.70	30.70
Cash and cash equivalents	6.90	6.90	1.10	1.10
Other bank balances			-	-
<b>Total financial assets</b>	<b>25.20</b>	<b>25.20</b>	<b>31.87</b>	<b>31.87</b>
<b>Financial liabilities</b>				
Borrowings (non-current, financial liabilities)	-	-	-	-
Borrowings (current, financial liabilities)	-	-	-	-
Payables for purchase of property, plant and equipment	-	-	-	-
Security deposits	-	-	-	-
Trade payables	112.78	112.78	58.67	58.67

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

**CIN: U64200DL2014PTC269035**

Other financial liabilities (current)	-	-	-	-
<b>Total financial liabilities</b>	<b>112.78</b>	<b>112.78</b>	<b>58.67</b>	<b>58.67</b>
				<b>Rs in million</b>
			<b>April 01, 2015</b>	
			<b>Carrying amount</b>	<b>Fair value</b>
<b>Financial assets</b>				
Bank deposits			-	-
Amount recoverable			-	-
Interest accrued and not due on fixed deposits			-	-
Security deposits			-	-
Investment (Non- current, financial assets)			-	-
Unbilled revenue			-	-
Trade receivables			-	-
Cash and cash equivalents			-	-
Other bank balances			-	-
<b>Total financial assets</b>			-	-
<b>Financial liabilities</b>				
Borrowings (non-current, financial liabilities)			-	-
Borrowings (current, financial liabilities)			-	-
Payables for purchase of property, plant and equipment			-	-
Security deposits			-	-
Trade payables			0.01	0.01
Other financial liabilities (current)			-	-
<b>Total financial liabilities</b>			<b>0.01</b>	<b>0.01</b>

**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**  
**CIN: U64200DL2014PTC269035**

**L CREDIT RISK**

	Credit rating	Particulars	March 31, 2017	March 31, 2016	April 01, 2015
	A: Low credit risk	Investment, Cash and cash equivalents and other financial assets except security deposits and amount recoverable	25.20	31.87	-
	B: High credit risk	Trade receivables, security deposits and amount recoverable	17.03	30.77	-
<b>As at March 31, 2017</b>					<b>Rs in million</b>
<b>Particular</b>			<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Trade receivables			17.03	-	17.03
Security deposits			-	-	-
Advances recoverable			-	-	-
<b>As at March 31, 2016</b>					<b>Rs in million</b>
<b>Particular</b>			<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Trade receivables			30.70	-	30.70
Security deposits			0.06	-	0.06
Advances recoverable			-	-	-





**SITI PRIME UTTARANCHAL COMMUNICATION PRIVATE LIMITED (Formerly known as Capital Digital Multimedia Pvt. Ltd.)**

**CIN: U64200DL2014PTC269035**

**M LIQUIDITY RISK**

**2017**  
**Rs in million**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>Total</b>
Borrowings	-	-	-
Trade payables	112.78	-	112.78

**2016**  
**Rs in million**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>Total</b>
Borrowings	-	-	-
Trade payables	58.67	-	58.67

**2015**  
**Rs in million**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>Total</b>
Borrowings	-	-	-
Trade payables	0.01	-	0.01

**For Sumit Gupta & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 022622N**

SD/-  
**CA Sumit Gupta**  
**(Partner)**  
**Membership No 513086**

**Place- Delhi**  
**Date- 20<sup>th</sup> May, 2017**

**For SITI Prime Uttaranchal Communication**  
**Private Limited**

SD/-  
**Nikesh Goyal**  
**07558862**  
**(Director)**

SD/-  
**Parish Aggarwal**  
**07244029**  
**(Director)**