

hathw@y bhawani

**HATHWAY BHAWANI
CABLETEL & DATACOM LIMITED**

36TH

ANNUAL REPORT

2019 - 2020

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

36TH ANNUAL REPORT 2019 - 2020

CONTENTS

❖	Corporate Information	01
❖	Notice	02
❖	Board's Report	22
❖	Management Discussion and Analysis Report	44
❖	Auditor's Report on Standalone Financial Statements	49
❖	Standalone Balance Sheet	63
❖	Standalone Statement of Profit and Loss	64
❖	Standalone Cash Flow Statement	65
❖	Standalone Changes in Equity Statement	66
❖	Notes to the Standalone Financial Statements	67
❖	Auditor's Report on Consolidated Financial Statements	98
❖	Consolidated Balance Sheet	110
❖	Consolidated Statement of Profit and Loss	111
❖	Consolidated Cash Flow Statement	112
❖	Consolidated Changes in Equity Statement	113
❖	Notes to the Consolidated Financial Statements	114

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vatan Pathan	(DIN:07468214)	Director & Chief Executive Officer
Mr. Dilip Worah	(DIN:00047252)	Independent Director
Mr. L. K. Kannan	(DIN:00110428)	Independent Director
Ms. Nerissa Britto	(DIN: 08716696)	Non-Executive Director
Ms. Pranjali Gawde	(DIN: 08754715)	Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Basant Haritwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajay Singh (FCS 5189)

STATUTORY AUDITORS

Nayan Parikh & Co. - Chartered Accountants

SECRETARIAL AUDITORS

Rathi & Associates – Company Secretaries

REGISTERED OFFICE

805/806, Windsor, 8th Floor, Off. CST Road, Kalina, Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514 • Tel No. (022) 40542500 Fax: (022) 40542700

Website: www.hathwaybhawani.com • E-mail : investors.bhawani@hathway.net

BANKERS

Bank of Maharashtra

Axis Bank Limited

REGISTRAR & TRANSFER AGENT

M/s. Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 059. • Tel. : (022) 62638200 Fax: (022) 62638299 E-mail : investor@bigshareonline.com

DETAILS OF DEMATERIALISATION OF SHARES

Company's ISIN number for Dematerialization is **INE525B01016**

CORPORATE IDENTIFICATION NUMBER

L65910MH1984PLC034514



HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Registered Office : 805/806, Windsor, 8th Floor,
Off. CST Road, Kalina, Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514

Tel No. (022) 40542500 Fax: (022) 40542700

Website: www.hathwaybhawani.com • E-mail : investors.bhawani@hathway.net

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY SIXTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON FRIDAY, SEPTEMBER 25, 2020 AT 3:00 P.M. THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO-VISUAL MEANS (“OAVM”), TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited standalone financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions**:
 - a) **“RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”
 - b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for

the financial year ended March 31, 2020 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. To appoint Mr. Vatan Pathan, who retires by rotation as Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the relevant rules thereunder, Mr. Vatan Pathan (DIN: 07468214), who retires by rotation at this meeting be and is hereby appointed as Non-Executive Director of the Company.”

SPECIAL BUSINESS:

3. To appoint Ms. Nerissa Britto as Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the relevant rules thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Nerissa Britto (DIN: 08716696), who was appointed as an Additional Director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Director of the Company, whose period of office shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. To appoint Ms. Pranjali Gawde as Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the relevant rules thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Pranjali Gawde (DIN: 08754715), who was appointed as an Additional Director in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Director of the Company, whose period of office shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Sd/-

Ajay Singh

Company Secretary and Compliance Officer

FCS 5189

Mumbai, August 10, 2020

Registered Office :

805/806, Windsor, 8th Floor, Off. CST Road, Kalina,

Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514

Tel No. (022) 40542500 Fax: (022) 40542700

Website: www.hathwaybhawani.com • E-mail: investors.bhawani@hathway.net

NOTES :

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“**MCA**”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “**MCA Circulars**”) permitted convening the Annual General Meeting (“**AGM**”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“**Act**”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
3. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company. **Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
4. In terms of the provisions of Section 152 of the Act, Mr. Vatan Pathan, retires by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommend his appointment. Mr. Vatan Pathan is interested in the Ordinary Resolution set out at Item No. 2 with regard to his appointment. The relatives of Mr. Vatan Pathan may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

5. Details of Directors retiring by rotation and seeking appointment at this AGM are provided in the “Annexure” to the notice.
6. Pursuant to the amendment to the section 139 of the Act, effective from May 7, 2018, the ratification of the appointment of auditors by the members at every AGM has been done away with. Accordingly, the ratification of appointment of M/s. Nayan Parikh & Co., Chartered Accountants, who were appointed as the Statutory Auditors at the thirty Third AGM held on September 26, 2017, for a period of 5 years, is not required at the ensuing AGM.
7. Since the AGM will be held through VC/OAVM, the Route Map of the venue of the AGM is not annexed hereto.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

8. **In compliance with the MCA Circulars and SEBI circular dated May 12, 2020, Notice of the AGM along with the Annual Report for the FY 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for the FY 2019-20 will also be available on the Company’s website at www.hathwaybhawani.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of KFin Technologies Private Limited (“KFinTech”) at <https://evoting.karvy.com>.**
9. For receiving all communication (including Annual Report) from the Company electronically:
 - a. Members holding shares in physical mode, who have not registered / updated their email addresses with the Company/Bigshare Services Pvt Ltd, Registrar and Transfer Agent are requested to register / update the same by writing to the Company with details such as Folio No., name of shareholder, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) at investors.bhawani@hathway.net or on the website of Bigshare Services Pvt Ltd at www.bigshareonline.com.

- b. Members holding shares in dematerialized mode are requested to register/ update their email addresses with the relevant Depository Participant(s) with whom they maintain their demat accounts.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

10. The Company will provide VC/OAVM facility to its Members for participating at the AGM.

- a. **Members will be able to attend the AGM through VC/OAVM by using their e-voting login credentials.**

Members are requested to follow the procedure given below:

OPTION 1

- i. Launch internet browser (Edge 44+, Firefox 78+, Chrome 83+, Safari 13+) by typing the URL: <https://jiomeet.jio.com/hbcdlagm>
- ii. Select “Shareholders” option on the screen
- iii. Enter the login credentials

User ID: For demat shareholders: 16-digit DPID+ Client ID is your User ID

(DP ID and Client ID to be typed continuously)

For e.g. IN12345612345678 (NSDL)

1402345612345678 (CDSL)

(Client ID is the last 8 digits of your demat account number as per your account statement / contract note / delivery instruction slip / email sent by the Company); or

For holders of shares in physical form: Your Folio No. is your User ID (to be typed continuously)

Password : Enter your password for e-voting sent by the Company through e-mail.

- iv. After logging in, you will be directed to the AGM.

OPTION 2

- i. Launch internet browser ((Edge 44+, Firefox 78+, Chrome 83+, Safari 13+) by typing the URL: <https://emeetings.kfintech.com>
 - ii. Enter the login credentials (i.e., User ID and password for e-voting).
 - iii. After logging in, click on “Video Conference” option
 - iv. Then click on camera icon appearing against AGM event of Hathway Bhawani Cabletel & Datacom Limited, to attend the Meeting.
- b. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.
11. Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on the ‘Speaker Registration’ option available on the screen after log in. The Speaker Registration will be open during Saturday, September 19, 2020 to Monday, September 21, 2020. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
12. Members will be allowed to attend the AGM through VC/OAVM on first come first serve basis.
13. Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.
14. Members who need assistance before or during the AGM, can contact KFinTech on evoting@kfintech.com or call on toll free number 1800-3454-001 (from 9:00 a.m. to 5:00 p.m.). Kindly quote your name, DP ID-Client ID/ Folio no. and E-voting Event Number in all

your communications.

15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
16. Members attending the AGM through VC shall be reckoned for the purpose of quorum under Section 103 of the Act.
17. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

18. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means ("**e-voting**"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("**remote e-voting**"). Further, the facility for voting through electronic voting system will also be made available at the Meeting ("**Insta Poll**") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

The Company has engaged the services of KFinTech as the agency to provide e-voting facility.

The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting 9:00 a.m. on Tuesday, September 22, 2020

End of remote e-voting 5:00 p.m. on Thursday, September 24, 2020

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.

Voting rights of a member/beneficial owner (in case of electronic shareholding) shall be in proportion to his/her share in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 18, 2020.

The Board of Directors of the Company has appointed Mr. Himanshu Kamdar, Practicing Company Secretary (Membership No. 5171) as Scrutinizer to scrutinize the remote e-voting and Insta Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

Information and instructions relating to e-voting are as under:

- i. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.**
- ii. A member has to opt only single mode of voting i.e. through remote e-voting or Insta Poll. If a member casts vote(s) through remote e-voting then he/she shall not be allowed to vote again at the Meeting.**
- iii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date i.e. Friday, September 18, 2020 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.**
- iv. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date may obtain the User ID and**

password from KFinTech in the manner as mentioned below:

- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number+Folio No. or DP ID Client ID to **9212993399**

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890
- b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com> , the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call on KFinTech’s toll-free number 1800-3454-001 (from 9:00 a.m. to 5:00 p.m.).
- d. Member may send an e-mail request to evoting@kfintech.com.
- e. If the member is already registered with KFinTech’s e-voting platform, then he can use his existing password for logging in.
- v. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.
- vi. **Information and instructions for remote e-voting:**
 - IA. In case member receives an e-mail from the Company/ KFinTech [for

members whose e-mail addresses are registered with the Company/ Bigshare Services Pvt Ltd/ Depository Participant(s)]:

- a. Launch internet browser by typing the URL: <https://evoting.karvy.com>
- b. Enter the login credentials (**User ID and password given in the e-mail**). The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use the existing password for logging in. If required, please visit <https://evoting.karvy.com> or contact toll-free number 1800-3454-001 (from 9:00 a.m. to 5:00 p.m.) for your existing password.
- c. After entering these details appropriately, click on “LOGIN”.
- d. You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- e. You need to login again with the new credentials.
- f. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Hathway Bhawani Cabletel & Datacom Limited.
- g. On the voting page, enter the number of shares as on the cut-off date under either “FOR” or “AGAINST” or alternatively, you may partially enter

any number under “FOR” / “AGAINST”, but the total number under “FOR” / “AGAINST” taken together should not exceed your total shareholding as on the “cut-off” date. You may also choose to “ABSTAIN” and vote will not be counted under either head.

- h. Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- i. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as “ABSTAINED”.
- j. You may then cast your vote by selecting an appropriate option and click on “SUBMIT”.
- k. A confirmation box will be displayed. Click “OK” to confirm, else “CANCEL” to modify.
- l. Once you confirm, you will not be allowed to modify your vote.
- m. Corporate/Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: hsk@rathiandassociates.com with a copy marked to evoting@kfintech.com. It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be “Corporate Name EVENT NO.”

IB. In case of a member whose e-mail address is not registered / updated with the Company/ Bigshare Services Pvt Ltd/Depository Participant(s),

please follow the following steps to generate your login credentials:

- a. Members holding shares in physical mode, who have not registered / updated their email addresses with the Company/Bigshare Services Pvt Ltd, Registrar and Transfer Agent are requested to register / update the same by writing to the Company with details such as Folio No., name of shareholder, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) at investors.bhawani@hathway.net or on the website of Bigshare Services Pvt Ltd at www.bigshareonline.com.
 - b. Advised to register nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website and can be accessed at link https://www.hathwaybhawani.com/assets/pdf/Nomination%20Form_HBCDL.pdf
 - c. **Members holding shares in dematerialized mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register/update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.**
 - d. After due verification, the Company/ KFinTech will forward your login credentials to your registered email address.
 - e. Follow the instructions at I(A) (a) to (m) to cast your vote.
- II. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending further communication(s).
- III. **Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or**

cast the vote again.

- IV. In case of any query pertaining to e-voting, members may refer to the “Help” and “FAQs” sections/ E-voting user manual available through a dropdown menu in the “Downloads” section of KFinTech’s website for e-voting: <https://evoting.karvy.com> or contact KFinTech as per the details given under sub-point no. V below.

V. Members are requested to note the following contact details for addressing e-voting grievances:

Mr. S.V Raju, Deputy General Manager
KFin Technologies Private Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad 500 032, India
Phone No.: +91 40 6716 1582
Toll-free No.: 1800-3454-001
(from 9:00 a.m. to 5:00 p.m.)
E-mail: evoting@kfintech.com

VI. Information and instructions for Insta Poll:

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

- VII. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutinizer’s Report and submit the same to the Chairman. The result of e-voting will be declared within forty-eight hours of the conclusion of the Meeting and the same, along with the consolidated

Scrutinizer's Report, will be placed on the website of the Company: www.hathwaybhawani.com and on the website of KFinTech at: <https://evoting.karvy.com>. The result will simultaneously be communicated to the Stock Exchange.

- VIII. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e. Friday, September 25, 2020.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors.bhawani@hathway.net.

20. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, September 21, 2020 through email on investors.bhawani@hathway.net. The same will be replied by the Company suitably.
21. The Annual Accounts of the subsidiary Company shall be available at the website of the Company www.hathwaybhawani.com.

OTHER INFORMATION

22. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

companies can be transferred only in dematerialized form w.e.f. April 1, 2019. Accordingly, the Company or Company's Share Transfer Agents, Bigshare Services Private Limited has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialization.

By Order of the Board of Directors

Sd/-

Ajay Singh

Company Secretary and Compliance Officer

FCS 5189

Mumbai, August 10, 2020

Registered Office :

805/806, Windsor, 8th Floor, Off. CST Road,

Kalina, Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514

Tel No. (022) 40542500 Fax: (022) 40542700

Website : www.hathwaybhawani.com

E-mail : investors.bhawani@hathway.net

NOTES:

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item no. 3

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company, had appointed Ms. Nerissa Britto (DIN: 08716696) as an Additional Director of the Company with effect from March 9,

2020, who holds office up to the date of this AGM and for whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director of the Company and accordingly it is proposed to appoint her as Non-Executive Director of the Company whose period of office shall be liable to retire by rotation.

Ms. Nerissa Britto is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as a Director.

Details of Ms. Nerissa Britto are provided in the Annexure to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI(LODR)") and (ii) Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

Ms. Nerissa Britto is interested in the resolution set out at Item 3 of the Notice with regard to her appointment. Relatives of Ms. Nerissa Britto may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This Statement may also be regarded as an appropriate disclosure under the Act and SEBI (LODR).

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

Item no. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company, had appointed Ms. Pranjali Gawde (DIN: 08754715) as an Additional Director of the Company with effect from June 26, 2020, who holds office up to the date of this AGM and for whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director of the Company and accordingly it is proposed to appoint her as Non-Executive

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Director of the Company whose period of office shall be liable to retire by rotation.

Ms. Pranjali Gawde is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as a Director.

Details of Ms. Pranjali Gawde are provided in the Annexure to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI(LODR)") and (ii) Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This Statement may also be regarded as an appropriate disclosure under the Act and SEBI (LODR).

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

By Order of the Board of Directors

Sd/-

Ajay Singh

Company Secretary and Compliance Officer

FCS 5189

Mumbai, August 10, 2020

Registered Office :

805/806, Windsor, 8th Floor, Off. CST Road, Kalina, Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514 • Tel No. (022) 40542500 Fax: (022) 40542700

Website : www.hathwaybhawani.com

E-mail : investors.bhawani@hathway.net

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

ANNEXURE TO THE NOTICE DATED AUGUST 10, 2020

Details of Directors retiring by rotation and seeking appointment at the meeting:

Name of Director	Mr Vatan Pathan
Date of Birth	25.03.1973
Nationality	Indian
Date of Appointment on the Board	07.11.2017
Qualification	Mechanical Engineer
Expertise in Specific Functional Area	Cable TV Operations
Number of shares held in the Company	Nil
Disclosure of relationships between directors inter-se	NA
Names of listed entities in which the director holds the directorship and the membership of the Committees of the Board	<ul style="list-style-type: none"> • <u>Listed entities in which the director holds the directorship</u> • Hathway Bhawani Cabletel & Datacom Limited • <u>Listed entities in which the director holds the membership of the Committees of the Board</u> • <u>Hathway Bhawani Cabletel & Datacom Limited</u> • Nomination and Remuneration Committee • Corporate Social Responsibility Committee • Stakeholders Relationship Committee

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Name of Director	Ms. Nerissa Britto	Ms. Pranjali Gawde
Date of Birth	18.10.1979	28.11.1981
Age in years	41	38
Nationality	Indian	Indian
Date of first Appointment on the Board	09.03.2020	26.06.2020
Qualifications	Law graduate	Chartered Accountant
Expertise in Specific Functional Area	Extensive experience in the field of Corporate laws and allied matters	Extensive experience in the field of Corporate Finance and Accounts
Number of shares held in the Company	Nil	Nil
List of the directorships held in other companies*	Nil	5
Chairman/ Member in the Committees of the Boards of companies in which he / she is Director*	Nil	Nil
Terms and conditions of appointment, if any.	NA	NA
Relationship, if any, with other Directors and Key Managerial Personnel	NA	NA
No. of Board Meetings attended during the year	Nil	Nil
No. of Committee meetings attended during the year	NA	NA

**Directorships includes Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stake holders' Relationship Committee of Public Limited Company (whether Listed or not).*

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the Company's 36th Annual Report and the Company's audited financial statement for the financial year ended March 31, 2020.

1. Financial Results

The Company's financial performance for the year ended March 31, 2020 is summarized below: -

			(Rs. in lakhs)	
	STANDALONE		CONSOLIDATED	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	487.29	471.17	487.29	471.17
Other Income	25.96	18.62	25.96	18.62
Profit / (Loss) before Tax	216.08	5.71	218.99	2.20
Less: Current Tax	6.29	-	6.29	-
Deferred Tax	-157.03	-	-157.03	-
Profit/ (Loss) for the year	366.82	5.71	369.73	2.20
Add: Other Comprehensive Income (OCI)	-2.55	1.69	-2.52	1.69
Total Comprehensive Income for the year	364.27	7.40	367.21	3.89
Add: Opening Balance in Retained Earnings and OCI (Adjusted)	-1195.21	-1202.61	-1203.57	-1207.46
Less: Appropriation	-	-	-	-
- Transferred to Debenture Redemption Reserve	-	-	-	-
- General Reserve	-	-	-	-
Closing Balance of Retained Earnings and OCI	-830.94	-1195.21	-836.36	-1203.57

2. Transfer to Reserve

The Board of Directors of the Company have not transferred any amount to the Reserves during the year under review.

3. Result of Operations & State of Company's affairs

During the year under review, the total revenue from operations was Rs. 487.29 lakhs on

standalone and Rs. 487.29 lakhs on consolidated basis as compared to the last year's revenue of Rs. 471.17 lakhs on standalone and Rs. 471.17 lakhs on consolidated basis respectively. The Profit after tax of your Company was Rs. 366.82 lakhs on standalone basis and Rs. 369.73 lakhs on consolidated basis as compared to the last year's Profit after tax was Rs. 5.71 lakhs on standalone basis and Rs. 2.20 lakhs on consolidated basis respectively.

4. Material changes affecting the Company

Subsequent to the outbreak of Coronavirus (COVID-19) pandemic and consequential nationwide lock down declared across the country on March 20, 2020 by the Government of India, which further got extended till May 3, 2020, the Company has continued to operate and provide cable services to its customers, which has been declared as an essential service, without any significant disruptions. However, disruptions to businesses worldwide and economic slowdown may have its eventual impact on the Company. A definitive assessment of the impact is not possible at this point of time, in view of the highly uncertain economic environment and the scenario is still evolving.

5. Dividend

The Board of Directors of the Company have not recommended any dividend on Equity Shares for the year under review.

6. Management Discussion and Analysis

Management's Discussion and Analysis Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)") is presented in a separate section, which forms part of the Annual Report.

7. Business Operation of the Company

This has been a transformational year for Cable Television Business. Post implementation

of New Tariff Order (NTO) from February 1, 2020. The purpose of the new tariff order was to bring transparency to end customers and provide them freedom to watch television of their choice and also to bring fairness in share allocation of subscription revenues within the stakeholders.

To meet the end objective of effective implementation of New Tariff order and establishing a sustainable renewed business model, the Company undertook series of transformational initiatives. These initiatives largely thrive on our technological supremacy over competition to provide best-in-class experience to customers through our esteemed Local Cable Operators and many of these are industry first initiatives. Some of key initiatives are enumerated below:

- Enhanced our system and technical capabilities to meet customer wants to watch television of their choice;
- Enables access of Mobile Apps and Portals to customers and LCOs;
- Encouraging LCO's to empower their customers with online renewal facility;
- Advanced technical capability to provide timely renewal notifications to customers coupled with SMS alerts;
- Enhanced Customer order fulfillment - Instant Customer Activation;

In view of the NTO, the relationship between the stakeholders has improved, which helped us to drive our initiatives.

8. Consolidated Financial Statement

In accordance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (LODR) read with Ind AS-110 (Consolidated Financial Statement), Ind AS-28 (Investments in Associates and Joint Ventures), the consolidated audited financial statement forms part of

the Annual Report.

9. Subsidiary Company

During the year under review and till the date of this report, no company has become or ceased to be subsidiary of the Company.

A Statement providing details of performance and salient features of the financial statements of Subsidiary company, as per Section 129(3) of the Act, “AOC-1” is annexed herewith as **Annexure I** to this Report.

The audited Financial Statement including the Consolidated Financial Statement of the Company and all other documents required are available on Company’s website and can be accessed at www.hathwaybhawani.com. The financial statement of the subsidiary Company can also be accessed at the Company’s website.

The Company has formulated a policy for determining Material Subsidiaries. The aforesaid Policy is placed on the Company’s website and can be accessed at <https://www.hathwaybhawani.com/assets/pdf/policy-on-material-subsiary.pdf>

10. Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’, respectively, have been duly followed by the Company.

11. Directors’ Responsibility Statement

The Board of Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there were no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently

and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;

- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. Contracts and arrangements with Related Parties

During the year under review, all the transactions, which were within the purview of Section 188 of the Act, were on arm's length basis and in the ordinary course of business.

Members may refer Note 4.09 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS/applicable accounting standards.

13. Corporate Social Responsibility

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

In terms of the CSR Policy, the focus areas of engagement shall be rural transformation, affordable healthcare solutions, access to quality education, environmental sustainability

and protection of national heritage.

The Company's average net profit for the three immediately preceding financial years was negative. Hence, in terms of the Act, during the year under review, the Company was not required to spend any amount on Corporate Social Responsibility activities.

The CSR Policy can be accessed on the Company's website at <https://www.hathwaybhawani.com/assets/pdf/CSR-Policy.pdf>

14. Risk Management

The Company has in place a Risk Management Policy and an adequate risk management infrastructure in place, capable of addressing all the risks that the organization faces such as financial, credit, market, liquidity, security, property, IT (cyber risk), legal, regulatory, reputational risks and such other risks.

The Board manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors governs how the Company conducts the business and manages associated risks.

15. Internal Financial Controls

The Company has adequate internal financial controls commensurate with the size of the business and nature of its operations, designed to provide reasonable assurance with regard to the accuracy and completeness of the accounting records and timely preparation and provision of reliable financial statements.

16. Directors and Key Managerial Personnel

Retiring by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Rajesh Kumar Mittal (DIN: 07957284), Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself

for re-appointment. The Board of Directors has recommended his re-appointment.

Resignation

Ms. Pallavi Balkur had resigned as Non-Executive Director of the Company with effect from December 10, 2019. Your Directors had placed its sincere appreciation for the services rendered by her during her tenure as Non-Executive Director of the Company.

Additional Director

In accordance with the Act and the Rules made thereunder, Ms. Nerissa Britto (DIN: 08716696) was appointed as an Additional Director designated as Non-Executive Director of the Company with effect from March 9, 2020 to hold the office of Director upto the date of ensuing 36th Annual General Meeting of the Company. Your Company has received a notice in writing under section 160 of the Act from a shareholder proposing the candidature of Ms. Nerissa Britto for the office of Director whose period of office will be liable to determination by retirement of directors by rotation. Your Directors have recommended the same for your approval.

Appointment of ID for a second term

The Members of the Company at the 35th Annual General Meeting of your Company held on August 7, 2019 had approved by way of a Special Resolution the re-appointment of Mr. Dilip Worah (DIN: 00047252) and Mr. L.K. Kannan (DIN: 00110428) as an Independent Directors of the Company to hold office for a second term of 5 (five) consecutive years starting from August 7, 2019 to August 6, 2024.

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation. The Company has received separate declarations from all Independent Directors of the Company, respectively confirming that:

- i) they meet with the criteria of independence as prescribed under Section 149(6) of the Act.

- ii) they have registered their names in the Independent Directors' Databank.

Change in the Key Managerial Personnel of the Company

During the year under review, Ms. Pallavi Balkur resigned as the Company Secretary and Compliance Officer with effect from November 14, 2019.

Save and except aforementioned, there was no other change in Directors and Key Managerial Personnel of the Company.

The Company has devised the Nomination and Remuneration Policy setting out the criteria for determining credentials, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management. The aforesaid Policy is placed on the Company's website and can be accessed at <https://www.hathwaybhawani.com/assets/pdf/hathway-bhawani-nrc-policy.pdf>

There has been no major change in the aforesaid policy during the year.

17. Performance Evaluation

The Company has devised a Policy for performance evaluation of the Board, its Committees and Individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process *inter alia* considers attendance of Directors at Board and Committee meetings, acquaintance with business, communication inter se board members, effective participation, compliance with code of conduct, etc. which is in compliance with the applicable laws, regulations and guidelines.

Accordingly, the performance evaluation of the Board, its Committees and Individual Directors (including Independent Directors) was carried out during the year.

18. Auditors and Auditors' Report

Statutory Auditors

M/s. Nayan Parikh & Co. Chartered Accountants (Firm Registration No. 107023W) were

appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 26, 2017. They have confirmed their eligibility and qualifications required under the Act for holding office as Statutory Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor

The Board of Directors of the Company had appointed M/s. Rathi & Associates, Company Secretaries to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

19. Disclosures

Meetings of the Board

The Board of Directors met four times during the financial year on April 8, 2019, July 8, 2019, October 11, 2019 and January 14, 2020. The intervening gap between two consecutive meetings was within the period specified under the Act.

Audit Committee

The Audit Committee of the Company comprises of 3 members, Mr. Dilip Worah, Independent Director (Chairman), Mr. L. K. Kannan, Independent Director and Mr. Rajesh Kumar Mittal, Non-Executive Director of the Company are the Members of the Committee. The constitution and terms of reference of the Committee is as per Section 177 of the Act. All recommendations made by the Audit Committee were accepted by the Board. The Audit Committee met four times during the year on April 8, 2019, July 8, 2019, October

11, 2019 and January 14, 2020.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee comprises of 4 members: Mr. Dilip Worah, Independent Director (Chairman), Mr. L. K. Kannan, Independent Director, Mr. Vatan Pathan and Mr. Rajesh Kumar Mittal, Non-Executive Directors are Members of the Committee. No meeting of the CSR Committee was held during the year.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) comprises of 3 members viz Mr L.K.Kannan, Independent Director (Chairman), Mr Dilip Worah, Independent Director and Mr Vatan Pathan, Non-Executive Director of the Company are the Members of the Committee. During the year, the NRC Committee has passed circular resolution on April 6, 2019.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of 3 members, Mr Vathan Pathan, Non-Executive Director (Chairman), Mr Rajesh Kumar Mittal, Non-Executive Directors and Mr Dilip Worah, Independent Director of the Company are the Members of the Committee. The Committee met four times during the year on April 8, 2019, July 8, 2019, October 11, 2019 and January 14, 2020.

20. Vigil Mechanism

The Vigil Mechanism of the Company also incorporates a Whistle Blower Policy. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the immediate supervisor or Chief Executive officer or the Compliance officer or the Chairman of the Audit Committee of the Company. The Vigil Mechanism and Whistle Blower Policy can be accessed on the Company's website at

<https://www.hathwaybhawani.com/assets/pdf/vigil-mechanism-policy.pdf>

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle Blower Policy of the Company was

received by the Company.

21. Particulars of loans given, investments made, guarantees given and securities provided

During the year under review, there were no loans given, investment made, guarantees given or securities provided in terms of Section 186 of the Act.

22. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure III** to this Report.

23. Annual Return

In compliance with provisions of Section 134(3)(a) of the Act, the extract of Annual Return as per Section 92(3) of the Act, has been hosted on the Company's website and can be accessed at <https://www.hathwaybhawani.com/assets/pdf/extract-of-annual-return.pdf> for FY 2018-19 and the extract of Annual Return for FY 2019-20 can be accessed at https://www.hathwaybhawani.com/assets/pdf/HBCDL%20Extract%20of%20Annual%20Return_31.03.2020.pdf

24. Particulars of Employees and related Disclosures

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company on email id investors.bhawani@hathway.net.

25. Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company

has formed Internal Committee for various work places to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a policy for prevention of Sexual Harassment, which ensures a free and fair enquiry process with clear timelines for resolution. There were no cases/complaints filed during the year under POSH Act.

26. General

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or applicability on these items during the year under review:

- i) Details relating to deposits covered under Chapter V of the Act.
- ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iii) Issue of shares (including sweat equity shares and ESOS) to employees of the Company under any scheme.
- iv) Instances of exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
- v) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- vi) Fraud has been reported by the Auditors to the Audit Committee or the Board of Directors of the Company.
- vii) Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- viii) The Company is not required to maintain cost records in terms of section 148(1) of the Act.
- ix) Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company.

- x) Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.
- xi) Statement of deviation or variation in connection with preferential issue.
- xii) Issue of debentures/bonds/warrants/any other convertible securities.
- xiii) Instances of transferring the funds to the Investor Education and Protection Fund.

27. Acknowledgement

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board

Sd/-

Vatan Pathan

Director & CEO

DIN: 07468214

Sd/-

Rajesh Kumar Mittal

Director

DIN: 07957284

Place: Mumbai

Date: April 17, 2020

Registered Office :

805/806, Windsor, 8th Floor, Off. CST Road, Kalina, Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514 • Tel No. (022) 40542500 Fax: (022) 40542700

Website: www.hathwaybhawani.com • E-mail: investors.bhawani@hathway.net

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Annexure I AOC - 1 - Part A

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES,
PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 AND 8 OF COMPANIES (ACCOUNTS) RULES, 2014

(Rs. In lakhs unless Otherwise Stated)													
Reporting period: 01/04/2019 to 31/03/2020 & Reporting Currency in INR													
Sl. No.	Name of the Subsidiary	Note	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Hathway Bhawani NDS Network Private Limited		155.00	(88.13)	74.72	7.85	0.60	119.17	10.41	4.70	5.71	-	51.00

AOC - 1 - Part B

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No	Name of Associates/Joint Ventures	
1	Latest Audited Balance Sheet	Nil
2	Shares of Associate/Joint Ventures held by the Company on the year end	
	No.	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	
3	Description of how there is significant influence	
4	Reason why the Associate/Joint Venture is not Consolidated	
5	Networth attributable to Shareholding as per latest audited Balance sheet	
6	Profit/Loss for the year	
	(i) Considered in Consolidation	
	(ii) Not Considered in Consolidation	

For and on behalf of the Board

Sd/-

Vatan Pathan

Director & CEO

DIN: 07468214

Sd/-

Rajesh Kumar Mittal

Director

DIN: 07957284

Place: Mumbai

Date: April 17, 2020

Registered Office :

805/806, Windsor, 8th Floor, Off. CST Road,

Kalina, Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514

Tel. No.: (022) 40542500 Fax: (022) 40542700

Website : www.hathwaybhawani.com

E-mail : investors.bhawani@hathway.net

Annexure II

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

To,

The Members

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

805/806, Windsor, 8th Floor,

Off. CST Road, Kalina, Santacruz (East),

Mumbai – 400 098

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Hathway Bhawani Cabletel & Datacom Limited** (hereinafter called “**the Company**”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2020, according to the provisions of:
 - (i) The Companies Act, 2013 ('the Act') and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment.
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:-
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
 - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and
 - iv. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:-
 - (i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (iv) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; and
 - (v) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings and Overseas Direct Investment were not attracted to the Company under the financial year under report.
4. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws specifically applicable to the Company:
- (i) Cable Television Networks (Regulation) Act, 1995, Cable Television Network (Regulation) Rules, 1994 and Content Certification Rules, 2008;
 - (ii) The Cinematography Act, 1952;
 - (iii) Telecom Regulatory Authority of India Act, 1997;
 - (iv) Indecent Representation of Women (Prohibition) Act, 1986.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 for the Board Meetings and General Body

Meetings; and

- b) The Listing Agreements entered into by the Company with BSE Limited.

During the financial year under report, the Company has:

- generally complied with the provisions of the Secretarial Standards referred to above;
- complied with the provisions of the other applicable Acts, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including woman director in compliance with the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under report were carried out in compliance with the provisions of the Act.

Adequate Notice was given to all Directors to schedule the Board meetings and the agenda and detailed notes on agenda were sent at least seven days in advance. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings, the decisions of the Board were taken unanimously.

None of the members have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken any event/ action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Rathi & Associates, Company Secretaries

Sd/-

Himanshu S. Kamdar

Partner

FCS: 5171

COP: 3030

Place: Mumbai

Date: April 17, 2020

Annexure III**Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo****A. Conservation of Energy****(i) Steps taken for conservation of energy:**

During the year under review, the Company was not engaged in any manufacturing or processing activity. Considering the nature of the Company's business, there is no reporting to be made on conservation of energy in its operations.

Notwithstanding this, the Company recognises the importance of energy conservation in decreasing the adverse effects of global warming and climate change. The Company carries on its activities in an environmentally friendly and energy efficient manner.

(ii) Steps taken by the Company for utilizing alternate sources of energy :

Nil

(iii) The capital investment on energy conservation equipment:

Nil

B. Technology Absorption**(i) Major efforts made towards technology absorption:**

The Company has not entered into any technology agreement or collaborations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

None

(iii) Information regarding imported technology (Imported during last three years):

The Company has not imported any technology during the last three years.

(iv) Expenditure incurred on research and development:

None

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows-NIL

Foreign Exchange outgo in terms of actual outflows-NIL

For and on behalf of the Board

Sd/-

Vatan Pathan

Director & CEO

DIN: 07468214

Sd/-

Rajesh Kumar Mittal

Director

DIN: 07957284

Place: Mumbai

Date: April 17, 2020

Registered Office :

805/806, Windsor, 8th Floor, Off. CST Road,

Kalina, Santacruz (East), Mumbai - 400098

CIN: L65910MH1984PLC034514

Tel No. (022) 40542500 Fax: (022) 40542700

Website : www.hathwaybhawani.com

E-mail : investors.bhawani@hathway.net

MANAGEMENT DISCUSSION & ANALYSIS REPORT**MEDIA & ENTERTAINMENT INDUSTRY**

The Indian Media and Entertainment (M&E) sector reached Rs 1.82 trillion (US\$25.7 billion) in 2019, registering a growth of 9% as compared to 2018. With its current trajectory, the M&E sector in India is expected to cross Rs 2.4 trillion (US\$34 billion) by 2022, at a CAGR of 10%.

While television and print retained their positions as the two largest segments, digital media overtook filmed entertainment in 2019 to become the third largest segment of the M&E sector. Digital subscription revenues more than doubled from 2018 levels and digital advertising revenues grew to command 24% of total advertising spend.

India Broadcasting and Cable TV market is anticipated to grow at a robust CAGR. The major factors propelling the growth of the market in India are the favorable regulations, technological advancements and growing investment opportunities in the broadcasting and cable TV market. Based on reception modes, terrestrial television dominated the market with the highest market share in 2019, followed by cable TV and satellite and is anticipated to maintain its dominance over the next five years as well. In 2019, in subscription television market, cable TV leads the market followed by satellite and terrestrial television. Moreover, recent developments, including relaxation of foreign investment, relaxation of entry restrictions for foreign companies in the broadcasting sectors in India have been introduced to improve the regulatory environment and boost the broadcast and cable TV market in the country. Improving infrastructure and growing urbanization, the industry has grown strongly in recent years in the country and is anticipated to grow over the next five years as well. Improving infrastructure and growing urbanization, the industry has grown strongly in recent years in the country and is anticipated to grow over the next five years as well.

OPPORTUNITIES, THREATS AND BUSINESS OUTLOOK

- Tariff Order implementation resulting in identifying the demand for the channel / bouquet of channels as the subscribers will choose and view their choice of channels as per the MRP

declared by the broadcasters.

- DPOs get the benefit of creating tailor made packs as per the overall consumer's demand per market requirement

The Company is taking various steps to improve performance by :

- a) Improving efficiency through combination of strategies such as channel packages, promoting HD and persuading consumers to move towards DPO packs comprised with most viewed channel / content at a reasonably affordable price
- b) Optimization of overheads by exercising effective control and regular review mechanism
- c) Enhancement of order to cash cycle management efficiency

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has proper and adequate internal control system under which management reports on key performance indicators and variance analysis are made. Regular Management committee meetings are held where these reports and variance analysis are discussed and action plan initiated with proper follow up. Operational Reports are tabled at Board Meetings after being discussed in Audit Committee meetings.

BUSINESS PERFORMANCE

The Company is providing Cable Television Network Services which is considered as the only reportable segment. The company's operations are based in the state of Maharashtra, India.

HUMAN RESOURCES

An Orientation has been given to the personnel policy with emphasis on performance. Employee strength was managed at various levels with reallocation of responsibilities for better utilisation of resources.

Measures are continuing to facilitate higher levels of output and productivity. Managerial Effectiveness is being improved by appropriate development and training programs, better co-

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

ordination and improvement in communications.

As of March 31, 2020, there were 12 permanent employees on the rolls of the company.

COMPANY'S FINANCIAL PERFORMANCE AND ANALYSIS

(Rs. In Lakhs)

Particulars	Year ended March 31	
	2020	2019
INCOME		
Revenue from Operations	487.29	471.17
Other Income	25.96	18.62
TOTAL INCOME	513.25	489.79
EXPENSES		
Feed Charges	98.75	122.79
Other Operational Expenses	47.73	57.88
Employee Benefit Expenses	44.58	52.23
Finance Cost	14.65	25.39
Depreciation, amortisation and impairment	22.36	128.71
Other Expenses	69.10	82.56
TOTAL	297.17	469.56
Profit / (Loss) before exceptional Items and tax	216.08	20.23
Exceptional Items (Impairment of investment in Joint Venture)	-	14.52

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Profit / (Loss) Before Taxation	216.08	5.71
Tax Expense		
Current tax	6.29	-
Deferred tax	-157.03	-
Profit / (Loss) After Taxation	366.82	5.71
Other Comprehensive Income	-2.55	1.69
Total Comprehensive Income for the year	364.27	7.40

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation are as given below:

Ratio (Consolidated Basis)	Mar-20	Mar-19	% Changes	Explanation
Debtor Turnover Ratio	255.82	88.46	189%	Due to reduction in Debtors
Interest Coverage Ratio	17.28	6.87	152%	Due to increase in profitability
Operating Profit Margin	47%	32%	46%	Due to increase in profitability
Net profit Margin	72.04%	0.45%		Due to increase in profitability

Operational Review :

During the year your company made significant progress in streamlining the impact of New Tariff order and DPO Pack offer for the subscribers. Total comprehensive Income Rs. 364.27 lakhs in FY 2019-20 substantially improved compared to previous year total comprehensive Income of Rs. 7.40 Lakhs.

The financial statements of your company have been prepared on a going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. For the year ended 31 March 2020, the Company's total comprehensive Income for

the period is Rs. 364.27 Lakhs and Net worth is negative by Rs. 20.94 lakhs. A cash flow forecast for the next 4 years prepared by management on Net present value basis has indicated that the company will have sufficient cash assets to be able to meet its debt obligations as and when they fall due.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectation may be "forward-looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

INDEPENDENT AUDITOR’S REPORT**To the Members of Hathway Bhawani Cabletel & Datacom Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **Hathway Bhawani Cabletel & Datacom Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

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 Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other

ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the

Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the standalone financial statements that, individually or in aggregate, makes it probable in the standalone financial statements that, knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. 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 A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. 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 purposes 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in

our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its standalone financial statements - Refer Note 4.01 to standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

K.Y. Narayana

Partner

Place : Mumbai

Dated April 17, 2020

Membership No. 060639

UDIN: 20060639AAAADC3052

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2020:

- (i) (a) The Company has maintained records of Property, Plant and Equipment showing particulars of assets including quantitative details and location except in case of certain types of distribution equipments. In view of the management, nature of such assets and business is such that maintaining location-wise particulars is impractical;
 - (b) According to the information and explanation given to us, Property, Plant and Equipments, were physically verified during the year as per the programme of verification adopted by the management, which, in our opinion, is reasonable. Material discrepancies arising on such physical verification have been properly dealt within the books of accounts;
 - (c) The Company neither hold any immovable properties nor has taken any immovable properties on lease and classified as Right to Use assets in the standalone financial statements. Accordingly, the paragraph 3(i)(c) of the Order regarding title deeds of immovable properties is not applicable;
- (ii) According to the information and explanation given to us, the Company does not hold any inventories and accordingly paragraph 3(ii) of the Order is not applicable;
 - (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(a), (b) and (c) of the order are not applicable;
 - (iv) The Company has not granted any loans or made any investment or provided any

guarantees or security to the parties covered under the section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the order is not applicable;

- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;
- (vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act, for the services rendered by the Company;
- (vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees' state insurance, income tax, goods and service tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2020, for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us, there are no outstanding disputed dues payable by the Company in case of income tax, goods and service tax or cess and any other statutory dues as on March 31, 2020;
- (viii) The Company has not taken loans from banks, financial institutions and government during the year. Further, the Company has not issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable;
- (ix) The Company has neither raised any money by way of initial public offer or further

public offer (including debt instruments) nor taken any term loans during year under audit. Accordingly, paragraph 3(ix) of the Order is not applicable;

- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided managerial remuneration. Accordingly, paragraph 3(ix) of the Order is not applicable;
- (xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable;
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable; and

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

K.Y. Narayana

Partner

Place : Mumbai

Membership No. 060639

Dated : April 17, 2020

UDIN: 20060639AAAADC3052

Annexure B to the Independent Auditor's Report**Report on the Internal Financial Controls under section 143(3)(i) of the Act**

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 ('Guidance Note') issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was 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 internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

K.Y. Narayana

Partner

Place : Mumbai

Dated : April 17, 2020

Membership No. 060639

UDIN: 20060639AAAADC3052

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Balance Sheet as at March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	Note No.	As at	
		March 31, 2020	March 31, 2019
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	110.09	132.07
Intangible assets	2.02	4.67	8.91
Financial Assets			
Investments	2.03	40.77	40.77
Loans	2.04	11.35	9.01
Other financial assets	2.05	13.46	12.69
Deferred Tax Assets (Net)	2.06	157.03	-
Other Non-current assets	2.07	59.79	47.15
Total Non-current Assets		397.16	250.60
Current Assets			
Financial Assets			
Trade receivables	2.08	1.90	5.33
Cash and cash equivalents	2.09	8.52	25.84
Other financial assets	2.05	1.65	0.66
Other current assets	2.07	33.12	55.33
Total Current Assets		45.19	87.16
Total Assets		442.35	337.76
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.10	810.00	810.00
Other Equity	2.11	(830.94)	(1,195.21)
Total Equity		(20.94)	(385.21)
Non-current Liabilities			
Financial Liabilities			
Borrowings	2.12	-	-
Provisions	2.13	10.99	9.13
Total Non-current Liabilities		10.99	9.13
Current Liabilities			
Financial Liabilities			
Borrowings	2.12	-	-
Trade payables			
Total outstanding dues of :			
- Micro & small enterprises		-	-
- Other		290.77	429.53
Other financial liabilities	2.14	137.29	249.42
Other current Liabilities	2.15	22.86	28.76
Provisions	2.13	1.38	6.13
Total Current Liabilities		452.30	713.84
Total Equity and Liabilities		442.35	337.76
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are an integral part of the financial statements.			
As per our report of even date		For and on behalf of the Board	
For Nayan Parikh & Co.			
Chartered Accountants			
Firm Registration No. 107023W			
K Y Narayana		Vatan Pathan	
Partner		Director & Chief Executive Officer	
Membership No. 060639		DIN: 07468214	
		Rajesh Kumar Mittal	
		Director	
		DIN: 07957284	
		Basant Haritwal	
		Chief Financial Officer	
Place : Mumbai		Place : Mumbai	
Dated: April 17, 2020		Dated: April 17, 2020	

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Statement of Profit and Loss for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	Note No.	Year Ended	
		March 31, 2020	March 31, 2019
Revenue from Operations	3.01	487.29	471.17
Other Income	3.02	25.96	18.62
Total Income		513.25	489.79
Expenses			
Feed Charges		98.75	122.79
Other Operational expenses	3.03	47.73	57.88
Employee benefit expenses	3.04	44.58	52.23
Finance cost	3.05	14.65	25.39
Depreciation, amortisation and impairment	3.06	22.36	128.71
Other expenses	3.07	69.10	82.56
Total Expenses		297.17	469.56
Profit / (Loss) before exceptional items and tax		216.08	20.23
Exceptional items	3.08	-	14.52
Profit / (Loss) before tax		216.08	5.71
Tax Expense:			
Current tax		-	-
Short / excess of current tax for earlier years (net)		6.29	-
Deferred tax		(157.03)	-
Profit / (Loss) for the year		366.82	5.71
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of post employment benefit obligation		(2.55)	1.69
Income tax effect relating to these items		-	-
		(2.55)	1.69
Total Comprehensive Income / (Loss) for the year		364.27	7.40
Weighted Average Number of Shares		81,00,000	81,00,000
Earnings / (Loss) per equity share (Face value of ₹ 10/- each) :			
Basic and diluted (in ₹)	4.12	4.53	0.07
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are an integral part of the financial statements.			

As per our report of even date

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana
Partner
Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Basant Haritwal
Chief Financial Officer

Place : Mumbai
Dated: April 17, 2020

Place : Mumbai
Dated: April 17, 2020

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Cash Flow Statement for the year ended March 31, 2020

Rs. in Lakhs

Particulars	Year Ended		Year Ended	
	March 31, 2020		March 31, 2019	
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>				
NET PROFIT / (LOSS) BEFORE TAX		216.08		5.71
Depreciation and Amortisation	22.36		128.71	
Amount no Longer Payable Written Back	(19.05)		(11.94)	
Sundry balances Written Off	-		5.55	
Impairment in value of Investments	-		14.52	
Impairment of trade receivables	-		4.00	
Reversal of Impairment of trade receivables	(5.64)		-	
Loss on Shortages of Assets	4.06		-	
Interest Income	(0.82)		(3.21)	
Provision for Gratuity and Leave Encashment	(2.94)		3.18	
Interest Expense	14.65	12.62	25.39	166.20
Operating Profit Before Change in Working Capital		228.70		171.91
<u>Change in Assets & Liabilities</u>				
(Increase) / Decrease in Trade Receivables	9.06		1.97	
(Increase) / Decrease in Other Financial Assets	(4.08)		60.57	
(Increase) / Decrease in Other Assets	25.36		15.12	
Increase / (Decrease) in Trade Payable	(119.72)		(10.49)	
Increase / (Decrease) in Provisions	(2.50)		(0.62)	
Increase / (Decrease) in Other Financial Liabilities	(72.13)		8.85	
Increase / (Decrease) in Other Current Liabilities	(5.88)	(169.89)	(85.88)	(10.48)
Cash Generated from Operations		58.81		161.43
Taxes Refund Received / (Paid) (Net)		(22.07)		19.15
Net Cash flow from / (used in) Operating activities		36.74		180.58
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>				
Interest Received	0.80		12.49	
Payments for acquisition of Property, Plant and Equipment	(0.21)	0.59	(1.37)	11.12
Net Cash Flow from / (used in) Investing Activities		0.59		11.12
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>				
Long Term Borrowing taken / (repaid)	(40.00)		(190.00)	
Interest Paid	(14.65)	(54.65)	(25.39)	(215.39)
Net Cash Flow from / (used in) Financing Activities		(54.65)		(215.39)
Net Increase / (Decrease) in Cash and Cash equivalents		(17.32)		(23.69)
Cash and Cash Equivalents at the Beginning of year		25.84		49.53
Cash and Cash Equivalents at the End of year		8.52		25.84
Reconciliation of cash and cash equivalents as per Cash Flow Statement				
Cash and cash equivalents				
Balances with banks:				
In Current Accounts		8.27		25.28
Cash in Hand		0.25		0.56
		8.52		25.84

Note - Above Standalone Cash Flow Statement has been prepared by using Indirect method as per Ind AS - 7 on Statements of Cash Flows.

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana

Partner

Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Basant Haritwal
Chief Financial Officer

Place : Mumbai

Dated: April 17, 2020

Place : Mumbai

Dated: April 17, 2020

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Standalone Statement of changes in equity for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

A Equity Share Capital

Particulars	Amount
Balance as at April 1, 2018	810.00
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2019	810.00
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2020	810.00

B Other Equity:

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained earnings	
Balance as at April 1, 2018	151.00	(1,353.61)	(1,202.61)
Profit/(Loss) for the year	-	5.71	5.71
Other Comprehensive Income for the year	-	1.69	1.69
Balance as at March 31, 2019	151.00	(1,346.21)	(1,195.21)
Profit / (Loss) for the year	-	366.82	366.82
Other Comprehensive Income for the year	-	(2.55)	(2.55)
Balance as at March 31, 2020	151.00	(981.94)	(830.94)

Summary of Significant Accounting Policies (Refer Note No.1)

Refer accompanying notes. These notes are an integral part of the financial statements.

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana

Partner

Membership No. 060639

Vatan Pathan

Director & Chief Executive Officer

DIN: 07468214

Rajesh Kumar Mittal

Director

DIN: 07957284

Basant Haritwal

Chief Financial Officer

Place : Mumbai

Dated: April 17, 2020

Place : Mumbai

Dated: April 17, 2020

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED**Significant Accounting Policies and Notes to the Standalone Financial Statements****BACKGROUND**

Hathway Bhawani Cabletel & Datacom Limited is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having registered office at '805/806, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai Maharashtra 400098. The Company is engaged in Cable TV business. It's Equity shares are listed on Bombay Stock Exchange (BSE) in India.

Authorization of standalone financial statements

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of directors on April 17, 2020.

1.00 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

1.01 BASIS OF PREPARATION

(i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis,

except for certain financial assets and liabilities which are measured at fair value;

1.02 ROUNDING OF AMOUNTS

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs, except where otherwise indicated.

1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current if:

- (i) it is expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is expected to be realised within twelve months after the reporting period, or
- (iv) cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (i) it is expected to be settled in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is due to be settled within twelve months after the reporting period, or
- (iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities on net basis.

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle. Based on the nature of operations, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

While preparing standalone financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as below:

Key sources of estimation uncertainty

- (i) Financial instruments; (Refer note 4.06)
- (ii) Useful lives of Property, Plant and Equipment and intangible assets; (Refer note 1.05 & 1.06)
- (iii) Obligations relating to employee benefits; (Refer note 4.03)

- (iv) Evaluation of recoverability of deferred tax assets; and
- (v) Contingencies (Refer note 4.01).

1.05 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its Property, Plant & Equipment and

has adopted the useful lives and residual value as prescribed in Schedule II.

In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.

All assets costing up to Rs. 5,000/- are fully depreciated in the year of capitalisation.

Deemed cost for Property, Plant and Equipment

The Company had elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as of the date of transition to Ind AS measured as per the previous GAAP and use that carrying value as it's deemed cost as of the transition date.

1.06 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in Statement of profit and loss in the period in which the expenditure is incurred.

Intangible Assets acquired separately

Intangible assets comprises of Cable Television Franchise and Softwares. Cable Television Franchise represents purchase consideration of a network that is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.

Intangible assets with finite useful lives that are acquired are recognized only if they are separately identifiable and the Company expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

Amortisation of intangible assets

Intangible assets with finite useful lives are amortized on a straight line basis over their useful economic lives and assessed for impairment whenever there is indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows:

- Softwares are amortized over the license period and in absence of such tenor, over five years.
- Cable Television Franchise are amortized over the contract period and in absence of such tenor, over twenty years.

The estimated useful lives, residual values, amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Deemed cost for Intangible assets

The Company had elected to continue with the carrying value of all of its Intangible assets recognised as of the date of transition to Ind AS measured as per the previous GAAP and

use that carrying value as it's deemed cost as of the transition date.

1.07 IMPAIRMENT OF ASSETS

Carrying amount of Tangible assets, Intangible assets, Investments in Joint Venture (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.08 CASH AND CASH EQUIVALENTS

For the purpose of Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks or financial institutions and bank overdrafts.

1.09 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost :

A financial asset is classified and measured at amortised cost if both of the following conditions are met :

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI :

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both

collecting contractual cash flows and selling financial assets and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL:

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities :

Other financial liabilities (including borrowings and trade and other payables) are

subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Financial Instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.10 INVESTMENT IN JOINT VENTURE

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its joint venture is accounted at cost and reviewed for impairment at each reporting date in accordance with the policy described in note 1.07 above.

1.11 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an company incurs in connection with the borrowing of funds.

1.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of:

- a present obligation arising from the past events, when it is not probable that an

outflow of resources will be required to settle the obligation;

- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.13 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

(i) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit & loss of the year in which the related services are rendered.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of

the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Defined contribution plans

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

(iii) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms

of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) Bonus Plans

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.14 REVENUE RECOGNITION

(i) Income from Rendering of services

The Company derives revenues primarily from Cable TV business.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the company expect to receive in exchange for those services. Subscription revenue is recognized ratably over the period in which the services are rendered.

To recognize revenues, the Company applies the following five step approach:

1. identify the contract with a customer;
 2. identify the performance obligations in the contract;
 3. determine the transaction price;
 4. allocate the transaction price to the performance obligations in the contract;
- and

5. recognize revenues when a performance obligation is satisfied

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time. While invoicing in excess of revenue are classified as contract liabilities (which we refer to as unearned revenue).

The Company presents revenues net of indirect taxes in its statement of profit and loss.

(ii) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

1.15 TAXES ON INCOME

Current Tax :

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax :

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed 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 the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities.

1.16 EARNINGS PER SHARE (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period

attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing cost associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 LEASES

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” using the modified retrospective approach. Accordingly, the comparative information has not been restated and continues to be reported under Ind AS 17 “Lease”. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information. The following is the summary of the new and/or revised significant accounting policies related to Leases. Refer Note 1 “Significant Accounting policies”, in the Company’s 2019 Annual Report for the policies in effect for Leases prior to April 1, 2019. The effect of transition on Ind AS 116 was insignificant.

As a Lessee

The Company’s lease arrangements are short term in nature. Accordingly, the Company has elected to recognize the lease payments under short leases as an operating expense on a straight-line basis over the lease term.

As a Lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease income from operating leases where the Company is a lessor are recognized on either a straight-line basis or another systematic basis. The Company shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset

is diminished. The Company present underlying assets subject to operating leases in its balance sheet according to the nature of the underlying asset.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Hathway Bhawani Cabletel & Datacom Limited

Notes to the Standalone Financial Statements
(₹ in lakhs unless otherwise stated)

2.01

Property, Plant and Equipment :

	Gross Carrying Amount			Accumulated Depreciation / Impairment			Net Carrying Amount	
	As at April 1, 2019	As at Addition	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year * Elimination on disposal	As at March 31, 2020	As at March 31, 2019
Own Assets:								
Plant and Machinery	216.13	-	12.26	203.87	88.12	16.55	96.47	107.40
Air conditioners	4.16	-	-	4.16	3.06	0.51	3.57	0.58
Furniture & Fixtures	11.17	-	-	11.17	9.64	0.26	9.90	1.26
Mobile & Telephone	2.41	-	-	2.41	1.66	0.28	1.94	0.47
Computers	8.34	-	-	8.34	7.76	0.48	8.25	0.10
Office Equipments	0.74	0.21	-	0.95	0.72	0.03	0.75	0.20
Motor Vehicles	0.15	-	-	0.15	0.05	0.01	0.07	0.08
Total	243.09	0.21	12.26	231.04	111.02	18.13	120.95	110.09
						8.20		132.07

	Gross Carrying Amount			Accumulated Depreciation / Impairment			Net Carrying Amount	
	As at April 1, 2018	As at Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year * Elimination on disposal	As at March 31, 2019	As at March 31, 2018
Own Assets:								
Plant and Machinery	364.93	0.26	149.06	216.13	124.38	112.80	88.12	128.01
Air conditioners	3.44	0.72	-	4.16	2.58	0.48	3.06	1.10
Structural fittings	0.07	-	0.07	-	0.07	-	-	-
Furniture & Fixtures	11.17	-	-	11.17	9.39	0.26	9.64	1.52
Mobile & Telephone	2.01	0.40	-	2.41	1.26	0.40	1.66	0.75
Computers	8.34	-	-	8.34	7.01	0.75	7.76	0.58
Office Equipments	0.74	-	-	0.74	0.61	0.10	0.72	0.13
Motor Vehicles	0.15	-	-	0.15	0.04	0.01	0.05	0.09
Total	390.85	1.37	149.13	243.09	145.34	114.80	111.02	132.07
						149.13		245.51

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Hathway Bhawani Cabletel & Datacom Limited

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

2.02 Intangible assets :

	Gross Carrying Amount		Accumulated Amortisation / Impairment		Net Carrying Amount	
	As at April 1, 2019	As at March 31, 2020	As at April 1, 2019	For the Year ended March 31, 2020	As at March 31, 2020	As at March 31, 2019
Cable Television Franchise	60.36	-	-	3.50	56.19	4.17
Softwares	4.85	-	-	0.74	4.35	1.24
Total	65.21	-	-	4.24	60.54	8.91

	Gross Carrying Amount		Accumulated Amortisation / Impairment		Net Carrying Amount	
	As at April 1, 2018	As at March 31, 2019	As at April 1, 2018	For the Year ended March 31, 2019	As at March 31, 2019	As at March 31, 2018
Cable Television Franchise	60.36	-	-	13.17	52.69	7.67
Softwares	4.85	-	-	0.74	3.61	1.98
Total	65.21	-	-	13.91	56.30	22.82

* Depreciation for the year includes impairment of Plant & Machinery ₹ Nil (March 31, 2019 ₹ 87.10)

Range of remaining period of amortisation of other Intangible Assets is as below:

	0 to 5 years	Total WDV
Cable Television Franchise	4.17	4.17
Softwares	0.50	0.50
	4.67	4.67

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

2.03 Non- current investments	As at		As at	
	March 31, 2020		March 31, 2019	
	Quantity	Amount	Quantity	Amount
Investments (measured at Cost)				
Investment in equity shares of Joint Venture				
Unquoted (fully paid up)				
Hathway Bhawani NDS Network Pvt. Ltd. (Face Value ₹ 500 per share)	15,810	54.05	15,810	54.05
Less: Impairment in value of Investments		14.53		14.53
		39.52		39.52
Investments in Government securities (measured at amortised cost)				
Unquoted				
National Saving Certificates (Pledged with Government Authorities)		1.25		1.25
Total carrying value		40.77		40.77
Aggregate Amount of Unquoted Investments		40.77		40.77
Aggregate Impairment in value of Investments		14.53		14.53

2.04 Loans	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Security Deposits				
Considered good - unsecured	11.35	9.01	-	-
	11.35	9.01	-	-

2.05 Other financial assets	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Fixed Deposits with Bank (Refer Note No, 2.09)	13.04	12.28	-	-
Interest Accrued	0.42	0.41	0.67	0.66
Unbilled Revenue *	-	-	0.98	-
	13.46	12.69	1.65	0.66

* Classified as financial assets as right to consideration is unconditional upon passage of time.

2.06 Deferred Tax Assets	Non- current	
	As at	
	March 31, 2020	March 31, 2019
Deferred Tax Assets *		
Provision for Employee benefits	4.32	-
Property, Plant and Equipment	20.75	-
Impairment of Trade Receivables	125.09	-
Carried forward Business Losses	6.87	-
	(A) 157.03	-
Deferred Tax Liabilities		
Other temporary differences	-	-
	(B) -	-
Net Deferred Tax Assets (A-B)	157.03	-

Significant estimates -

* The deferred tax assets recognised is in respect of unused tax losses and other items. Considering implementation of New Tariff Order during the previous financial year, the Management is reasonably certain of future taxable income and hence recovery of such deferred tax assets.

2.07 Other assets	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Unsecured, considered good unless stated otherwise				
Advance Income Tax Paid (Net of Provision for tax)	59.79	44.01	-	-
Prepaid Rent	-	3.14	-	1.05
Prepaid expenses	-	-	1.72	0.28
Sundry Advances	-	-	-	0.00
GST Receivable	-	-	31.40	54.00
	59.79	47.15	33.12	55.33

2.08 Trade Receivables	Current	
	As at	
	March 31, 2020	March 31, 2019
Trade receivables - Unsecured	490.46	692.95
	490.46	692.95
Less : Provision for impairment	488.56	687.62
	1.90	5.33

2.09 Cash and cash equivalents	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Balances with Banks				
In Current Accounts	-	-	8.27	25.28
Cash on hand	-	-	0.25	0.56
			8.52	25.84
Other Bank Balances				
Fixed Deposits with Bank *	13.04	12.28	-	-
	13.04	12.28	-	-
Less: Amount disclosed under Other financial assets (Refer Note No.2.05)	13.04	12.28	-	-
	-	-	8.52	25.84

* Out of the above Fixed deposits with Bank of Maharashtra, deposits of ₹ 13.04 (Previous year ₹ 12.28) is given as security against outstanding Bank Guarantees.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

2.10 Equity Share Capital	As at	
	March 31, 2020	March 31, 2019
Authorised Capital 1,00,00,000 (March 31, 2019 : 1,00,00,000) Equity Shares of ₹ 10 each	1,000.00	1,000.00
	1,000.00	1,000.00
Paid up Capital comprises: 81,00,000 (March 31, 2019: 81,00,000) Equity Shares of ₹ 10 each fully paid up	810.00	810.00
	810.00	810.00

a) Reconciliation of the number of shares outstanding as at the beginning and end of the reporting year :

Particulars	As at			
	March 31, 2020		March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	81,00,000	810.00	81,00,000	810.00
Shares outstanding at the end of the year	81,00,000	810.00	81,00,000	810.00

b) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Particulars	As at	
	March 31, 2020	March 31, 2019
	Number of shares	Number of shares
Hathway Cable and Datacom Limited (Holding Company)	2,020,000	2,020,000
Hathway Media Vision Private Limited (Wholly Owned subsidiary of Holding Company)	2,160,000	2,160,000
Jio Cable and Broadband Holdings Private Limited (Entity exercising control over Parent)	10,31,196	-
	5,211,196	4,180,000

c) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share and proportionate amount of dividend if declared to the total number of shares. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by the share holders.

d) The details of shareholders holding more than 5% shares in the Company:

Name of Shareholder	As at		As at	
	March 31, 2020		March 31, 2019	
	Number of shares	% of Holding	Number of shares	% of Holding
Hathway Cable and Datacom Limited	20,20,000	24.94%	20,20,000	24.94%
Kuldeep Puri	-	-	5,04,339	6.23%
Kulbhushan Puri	-	-	426,383	5.26%
Jio Cable and Broadband Holdings Private Limited	10,31,196	12.73%	-	-
Hathway Media Vision Private Limited	21,60,000	26.67%	21,60,000	26.67%

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

2.11 Other equity	As at	
	March 31, 2020	March 31, 2019
Securities Premium	151.00	151.00
Retained earning	(981.94)	(1,346.21)
Total	(830.94)	(1,195.21)

a) Retained earnings :

Retained earnings are the losses that the Company has incurred till date.

b) Securities Premium :

Securities premium is used to record the premium on issue of shares. The Securities premium is utilised in accordance with the provisions of the Act.

2.12 Non Current Borrowings	Non - Current		Current Maturities of Long Term Debt	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Loans and Advances from Related Parties				
Unsecured				
Loan From Fellow Subsidiary	-	-	120.00	160.00
	-	-	120.00	160.00
Less: Amount disclosed under the head 'Other Financial Liabilities' (Note No. 2.14)	-	-	120.00	160.00
Net Amount	-	-	-	-

Nature of Security and terms of repayment for borrowings:

Nature of Security	Terms of Repayment
Unsecured Loan	
Loan from Hathway Digital Private Limited amounting to ₹ 120 (March 31, 2019: ₹ 160)	Principal repayable within 1 years (extendable as agreed between the Company and Fellow Subsidiary) bearing interest rate @10.6%p.a.

2.13 Provisions	Non - Current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Employee benefits				
Gratuity (unfunded)	7.90	6.92	0.98	0.38
Leave Encashment	3.09	2.21	0.40	5.75
	10.99	9.13	1.38	6.13

2.14 Other Financial Liabilities	As at	
	March 31, 2020	March 31, 2019
Current Maturities of Long term debt (Refer Note 2.12)	120.00	160.00
Security Deposits	2.54	45.64
Salary and Employee benefits payable	1.81	8.97
Other Financial Liabilities	12.94	34.81
	137.29	249.42

2.15 Other Current Liabilities	As at	
	March 31, 2020	March 31, 2019
Income received in advance	5.03	15.46
Statutory payables	17.83	11.44
Others	-	1.86
	22.86	28.76

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

3.01 Revenue from operations	Year Ended	
	March 31, 2020	March 31, 2019
Sale of services	487.29	471.17
	487.29	471.17

3.02 Other Income	Year Ended	
	March 31, 2020	March 31, 2019
Interest income earned on financial assets :		
Interest on Fixed Deposit	0.81	3.20
Interest on Government Securities	0.01	0.01
Interest Income on Security Deposit	0.45	0.80
Interest on Income Tax Refund	-	2.59
Other Non Operating Income		
Amount no Longer Payable Written Back	19.05	11.94
Reversal of Impairment of trade receivables	5.64	-
Miscellaneous Income	-	0.08
	25.96	18.62

3.03 Other Operational Expenses	Year Ended	
	March 31, 2020	March 31, 2019
Commission	21.70	24.94
Repairs & Maintenances - Machinery	9.48	8.50
Rent	7.04	8.17
Other Operating Expenses	9.51	16.27
	47.73	57.88

3.04 Employee Benefit Expenses	Year Ended	
	March 31, 2020	March 31, 2019
Salaries and wages	40.48	48.02
Contribution to Provident fund and other funds	3.18	3.27
Staff welfare expenses	0.92	0.94
	44.58	52.23

3.05 Finance Costs	Year Ended	
	March 31, 2020	March 31, 2019
Interest Expenses	14.65	25.39
	14.65	25.39

3.06 Depreciation, Amortization and Impairment	Year Ended	
	March 31, 2020	March 31, 2019
Depreciation on Property, Plant and Equipment	18.13	114.80
Amortisation of intangible assets	4.23	13.91
	22.36	128.71

3.07 Other Expenses	Year Ended	
	March 31, 2020	March 31, 2019
Impairment of trade receivables	-	4.00
Bad Debts	193.42	-
Less: Transfer from Impairment of trade receivables	(193.42)	-
	-	-
Services charges	32.76	25.38
Legal & Professional charges	10.51	12.56
Printing and stationery	0.87	7.01
Sundry balances Written Off	-	5.55
Conveyance	3.13	5.48
Electricity charges	0.87	4.00
Business promotion expenses	2.49	2.72
Sitting Fees	2.40	2.30
Office expenses	2.12	1.69
Communication charges	0.55	0.89
Repairs & Maintenances - Others	0.50	0.67
Insurance others	1.65	0.63
Loss on Shortage of assets	4.06	-
Rates and taxes	0.97	0.00
Interest on Taxes	1.82	0.00
Miscellaneous Expenses	0.67	5.95
Auditor's Remuneration :		
- Statutory Audit Fees	3.73	3.73
	69.10	82.56

3.08 Exceptional Item	Year Ended	
	March 31, 2020	March 31, 2019
Impairment of Investments in Joint Venture	-	14.52
	-	14.52

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.01 Contingent Liabilities

During the current financial year, the Company has received Show Cause cum Demand notices ("SCNs") from the Department of Telecommunications ("DOT"), Government of India on provisional assessment of due license fees for the financial years 2007-08 and 2009-10 aggregating to Rs. 787.11 Lakhs including penalty and interest thereon (March 31, 2019: Rs. Nil). The Company has responded to DOT contesting the basis of their demand, the outcome of which is pending. Based on legal opinion and Managements own assessment of the matter, the Company is of the view that it has more than reasonable chance of success and hence, no provision is necessary.

4.02 Capital And Other Commitments

There are no Capital and other commitments as at March 31, 2020. (March 31, 2019 : Nil)

4.03 Employee Benefits

a) Defined Benefit Plans:

The Present value of the defined benefit obligations and related current service cost were measured using the Projected Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet date.

Interest Risk :	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk :	The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.
Salary Risk :	The Gratuity benefit, being based on last drawn salary, will be critically effected in case of increase in future salaries being more than assumed.

Category	March 31, 2020 [Gratuity]	March 31, 2019 [Gratuity]
1. Expense recognised in the Statement of Profit and Loss		
Current Service Cost	0.72	0.91
Net Interest	0.56	0.60
Expense recognised in the Statement of Profit and Loss	1.28	1.51
2. Other Comprehensive Income (OCI)		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in financial assumption	0.96	(3.86)
Actuarial (gains)/ losses arising from experience adjustments	1.59	2.17
Total Actuarial (Gain)/loss recognised in OCI	2.55	(1.69)
3. Change in benefit obligations:		
Projected benefit obligations at beginning of the year	7.29	8.09
Current Service Cost	0.72	0.91
Interest Cost	0.56	0.60
Benefits Paid	(2.24)	(0.61)
Actuarial (Gain) / Loss	2.55	(1.69)
Projected benefit obligations at end of the year	8.88	7.29
4. Fair Value of Plan Asset		
Fair Value of Plan Asset at the beginning of the year	-	-
Contributions by employer	(2.24)	(0.61)
Benefits Paid	2.24	0.61
Fair Value of Plan Assets at end of the year	-	-

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

Category	March 31, 2020 [Gratuity]	March 31, 2019 [Gratuity]
5. Net Liability		
Projected benefit obligations at the end of the year	8.88	7.29
Fair Value of Plan Asset at the end of the year	-	-
Net Liability	8.88	7.29
6. The net liability disclosed above relates to unfunded plans are as follows:		
Projected benefit obligations at the end of the year	8.88	7.29
Fair Value of Plan Asset at the end of the year	-	-
Deficit of gratuity plan	8.88	7.29
7. Sensitivity Analysis		
Increase/(decrease) on present value of benefit obligation at the end of the year		
50 basis point increase in discount rate	(8.44)	(6.93)
50 basis point decrease in discount rate	9.35	7.68
50 basis point increase in rate of salary Increase	9.35	7.69
50 basis point decrease in rate of salary increase	(8.43)	(6.92)
8. Principal assumptions used for the purpose of actuarial valuation		
Mortality	IALM (2012-2014) IITI	IALM (2012-2014) IITI
Interest /discount rate	6.75%	7.90%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	11.08	11.08
Employee Attrition Rate (Past service (PS))	21-30 - 10% 31-40 - 5% 41-50 - 3% 51-59 - 2%	5.00%

b. Defined Contribution Plans:

The Company contributes towards provident fund to a defined contribution plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the defined contribution plan to fund the benefits. An amount of ₹ 3.18 (Previous year ₹ 3.27) is recognised as an expenses and included in Employee benefit expenses (Refer Note 3.04)

4.04 Leases

As a Lessee

Short term leases accounted in the statement of Profit and Loss for the Financial Year 2019-20 is ₹ 7.04 Lakhs.

The Company's significant leasing arrangements in terms of Ind AS 116 on lease are in respect of Leases for Premises. These lease arrangements have price escalation clauses. The period of these leasing arrangements, which are cancellable in nature, range between 11 months to five years and are renewable by mutual consent.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.05 Capital Management

The Company manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders.

The principal source of funding of the Company has been, and is expected to continue from cash generated from its operations supplemented by funding from borrowings.

4.06 Financial Instruments

i) Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

a) The carrying amounts of trade receivables, cash and cash equivalents, trade payables, and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

b) The fair value for long term security deposits given is calculated based on cash flow discounted using current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

ii) Categories of financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	March 31, 2020		March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost				
Investments	1.25	1.25	1.25	1.25
Trade receivables	1.90	1.90	5.33	5.33
Loans	11.35	11.35	9.01	9.01
Other financial assets	15.11	15.11	13.35	13.35
Cash and cash equivalents	8.52	8.52	25.84	25.84
Financial liabilities				
Measured at amortised cost				
Borrowings	120.00	120.00	160.00	160.00
Trade payables	290.77	290.77	429.53	429.53
Other financial liabilities	17.29	17.29	89.42	89.42

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.07 Financial Risk Management

The Company is not exposed to market risk and has insignificant credit and liquidity risk as explained below :

Risk	Exposure arising from	Measurement
1) Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis
2) Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts

Credit risk

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed. The Company's exposure to credit risk arises mainly from the trade receivables, distributor commission, consultancy income and balances with banks. Credit risks from balances with banks are managed in accordance with the Company policy. The Company's major revenue streams arises from services provided to end use customers in form of monthly subscription income. The trade receivables on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. There is no concentration of credit risk. The Company follows a simplified approach (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring the lifetime ECL allowance for trade receivables, the Company uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual trade receivable is required to be reviewed on qualitative aspects, necessary provisions are made.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Age of Receivables	As At March 31,	
	2020	2019
Within the credit period		
1-90 days past due	1.03	53.60
91-180 days past due	1.44	54.43
181-270 days past due	0.14	32.42
271-360 days past due	0.11	32.42
More than 365 days	487.75	520.08
	490.46	692.95

Movement in the expected credit loss allowance	Year ended March 31,	
	2020	2019
Balance at beginning of the year	687.62	683.62
Provided during the year	-	4.00
Bad Debts Written off	(193.42)	-
Reversal during the year	(5.64)	-
Balance at end of the year	488.56	687.62

Liquidity risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

March 31, 2020

Particulars	less than 1 year	1 to 5 year	Total
<u>Non-Derivatives</u>			
Trade payables	290.77	-	290.77
Borrowings	120.00	-	120.00
Other financial liabilities	17.29	-	17.29
Total	428.06	-	428.06

March 31, 2019

Particulars	less than 1 year	1 to 5 year	Total
<u>Non-Derivatives</u>			
Trade payables	429.53	-	429.53
Borrowings	160.00	-	160.00
Other financial liabilities	89.42	-	89.42
Total	678.95	-	678.95

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.08 Segmental Reporting

As the Company's business activity falls within a single business segment in terms of Ind AS 108 on 'Operating Segments', the financial results are reflective of the information required by Ind AS 108.

4.09 Related Party Disclosures

Particulars of Related Parties

A. Name of Related Parties and Related party Relationship

I. Controlled by:

Parent	Hathway Cable and Datacom Limited
Entities exercising control over Parent	Reliance Industries Limited (w.e.f. January 30, 2019) Reliance Industrial Investments and Holdings Limited (w.e.f. January 30, 2019)(Protector of Digital Media Distribution Trust), wholly owned subsidiary of Reliance Industries Limited. Digital Media Distribution Trust (w.e.f. January 30, 2019) Jio Content Distribution Holdings Private Limited (w.e.f. January 30, 2019) \$ Jio Internet Distribution Holdings Private Limited (w.e.f. January 30, 2019) \$ Jio Cable and Broadband Holdings Private Limited (w.e.f. January 30, 2019) \$

II. Joint Venture

Hathway Bhawani NDS Network Private Limited

III. Fellow Subsidiary

Hathway Digital Private Limited

IV. Key Managerial Personnel

Non Executive Directors	
Independent Directors	Mr. Dilip Worah Mr. L. K. Kannan

\$ Controlled by Digital Media Distribution Trust of which Reliance Content Distribution Limited - Wholly owned Subsidiary of Reliance Industries Limited, is the sole beneficiary.

Compensation to Key Managerial Personnel :-

Particulars	F.Y. 2019-20	F.Y. 2018-19
Sitting fees	2.40	2.30
Total Compensation	2.40	2.30

B. Related Party Transactions

Type of Transactions	Name of the Party	F.Y. 2019-20	F.Y. 2018-19
Consultancy charges earned	Hathway Bhawani NDS Network Private Limited	11.00	23.00
Loan repaid	Hathway Digital Private Limited	40.00	190.00
Marketing & Promotion Income	Hathway Digital Private Limited	13.97	-
Commission Income	Hathway Digital Private Limited	147.12	122.52
Network Usage Charges earned	Hathway Digital Private Limited	30.00	30.00
Feed Charges	Hathway Digital Private Limited	98.75	122.80
STB Activation Expenses	Hathway Digital Private Limited	5.63	11.08
Interest paid	Hathway Digital Private Limited	14.65	25.39
(Impairment) / Reversal of Impairment in value of Investments	Hathway Bhawani NDS Network Private Limited	-	(14.53)

Type of Balances	Name of the Party	As at March 31, 2020	As at March 31, 2019
Balance as at year end			
Trade Payable	Hathway Cable and Datacom Limited	25.15	35.41
Unsecured Loan	Hathway Digital Private Limited	120.00	160.00
Trade Payable	Hathway Digital Private Limited	252.65	381.52
Investments	Hathway Bhawani NDS Network Private Limited	54.05	54.05
Impairment in value of Investments	Hathway Bhawani NDS Network Private Limited	14.53	14.53

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements

(₹ in lakhs unless otherwise stated)

4.10 During the financial year 2019-20 and 2018-19, there has been no investment made by the Company in terms of Section 186(4) of the Act. The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule VI to the Act. Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given or guarantee given or security provided and the related disclosures on purposes / utilization by recipient companies, are not applicable to the Company.

4.11 Supplementary statutory information required to be given pursuant to Schedule V of Regulation 34(3) and 53(f) of the SEBI (Listing obligation & Disclosure requirement) Regulations, 2015. - Nil

4.12 Earnings / (Loss) Per Share

	As at March 31, 2020	As at March 31, 2019
Basic earnings per share (₹)		
Attributable to equity holders of the Company	4.53	0.07
Diluted earnings per share (₹)		
Attributable to equity holders of the Company	4.53	0.07
Nominal value of Ordinary shares : (₹)	10.00	10.00
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit / (Loss) attributable to equity holders of the Company used in calculating basic earnings per share	366.82	5.71
Diluted earnings per share		
Profit / (Loss) attributable to equity holders of the Company used in calculating diluted earnings per share	366.82	5.71
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	8,100,000	8,100,000

4.13 The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under :

	As at March 31, 2020	As at March 31, 2019
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest due and remaining unpaid	-	-
Interest accrued and remaining unpaid	-	-

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Standalone Financial Statements (₹ in lakhs unless otherwise stated)

4.14 Revenue from contract with customers

Disaggregation of Revenue

As the Company's business activity falls within a single business segment viz. providing Cable Television services which is considered as the only reportable segment and the revenue substantially being in the domestic market, the financial statements are reflective of the information required by Ind AS 108 'Operating Segment'. The nature, amount, timing and uncertainty of revenue and cash flows are similar across company's revenue from contracts with customers. Accordingly, there is no disaggregation of revenue disclosed.

Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, contract assets and contract liabilities for the contracts with the customers.

Particulars	March 31, 2020	March 31, 2019
Receivables, which are included in 'Trade and other receivables'	1.90	5.33
Contract assets	-	-
Contract liabilities (Unearned Revenue)	5.03	15.46

The contract assets primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. The contract liabilities primarily relate to the billing recognized in advance where performance obligations are yet to be satisfied.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

Particulars	March 31, 2020	
	Contract assets	Contract liabilities
Balance at the beginning of the year	-	15.46
Less: Revenue Recognised that is included in the contract liability balance at the beginning of the year	-	(15.46)
Add: Advance income received from the customer during the period	-	5.03
Balance at the end of the year	-	5.03

Particulars	March 31, 2019	
	Contract assets	Contract liabilities
Balance at the beginning of the year	-	100.84
Less: Revenue Recognised that is included in the contract liability balance at the beginning of the year	-	(100.84)
Add: Advance income received from the customer during the year	-	15.46
Balance at the end of the year	-	15.46

Performance Obligations And Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performances as the performance obligations relates to contracts that have an original expected duration of one year or less.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustment for revenue that has not materialized and adjustments for currency.

4.15 Previous year's figures have been reclassified / regrouped wherever necessary.

As per our report of even date
For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana
Partner
Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Basant Haritwal
Chief Financial Officer

Place : Mumbai
Dated: April 17, 2020

Place : Mumbai
Dated: April 17, 2020

INDEPENDENT AUDITOR’S REPORT**To the Members of Hathway Bhawani Cabletel & Datacom Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of **Hathway Bhawani Cabletel & Datacom Limited** (hereinafter referred to as “the Holding Company”) and its joint venture comprising of the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as ‘the consolidated financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI), together with the independence requirements that are relevant to our audit of the consolidated

financial statements under the provisions of the Act and rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the report of the other auditor on standalone financial statements and on the other financial information of the joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Holding Company including its joint venture in accordance with Ind AS and other accounting principles generally accepted in India. The Board of Directors of the Holding Company and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.

In preparing the consolidated financial statements, the respective Board of Directors of the Holding Company and of its joint venture are responsible for assessing the ability of the Holding Company and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and of its joint venture are responsible for overseeing the financial reporting process of the Holding Company and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Holding Company and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Other Matters

We did not audit the financial statements of the joint venture, as considered in the consolidated financial statements, whose standalone financial statements include the Holding Company's share of net profit (including other comprehensive income) of ₹ 2.94 lakhs for the year ended on March 31, 2020. This financial statements and other financial information have been audited by other auditor whose report has been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, 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 purposes 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 report of the other auditor ;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement 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 the Ind AS specified under section 133 of the Act read with relevant rules issued thereunder and relevant provisions of the Act ;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its joint venture incorporated in India, none of the directors of the Holding Company and its joint venture incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164 (2) of the Act ;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' ;

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Holding Company; and

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor of the joint venture, as noted in the Other matters paragraph:

- i. The Holding Company and its joint venture has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its consolidated financial statements - Refer Note 4.01 to consolidated financial statements ;
- ii. The Holding Company and its joint venture did not have any material foreseeable losses on long term contracts including derivative contracts; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its joint venture.

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

K.Y. Narayana

Partner

Place : Mumbai

Membership No. 060639

Dated : April 17, 2020

UDIN: 20060639AAAADC3052

Annexure A to the Independent Auditor's Report

Referred to in paragraph (f) under Report on Other Legal and Regulatory Requirements' of our Independent Auditor's Report on even date to the members of Hathway Bhawani Cabletel & Datacom Limited ("the Holding Company) on the consolidated financial statements for the year ended March 31, 2020:

Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 (the Act)

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of **Hathway Bhawani Cabletel & Datacom Limited (hereinafter referred to as 'the Holding Company')** and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company and its joint venture, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was 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 internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial control system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting

principles. A company's internal financial controls with reference to financial statements 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 with reference to Financial Statements

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

Opinion

In our opinion, the Holding Company and its joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020 based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

of the internal financial controls with reference to financial statements, in so far as it relates standalone financial statements of the joint venture, which is the company incorporated in India, is based on the corresponding report of the auditor of such joint venture incorporated in India.

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

K.Y. Narayana

Partner

Place : Mumbai

Dated : April 17, 2020

Membership No. 060639

UDIN: 20060639AAAADC3052

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED**HATHWAY BHAWANI CABLETEL & DATACOM LIMITED**

CIN : L65910MH1984PLC034514

Consolidated Balance Sheet as at March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	Note No.	As at	
		March 31, 2020	March 31, 2019
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	110.09	132.07
Intangible assets	2.02	4.67	8.91
Investment accounted using Equity method	4.12	34.10	31.16
Financial Assets			
Investments	2.03	1.25	1.25
Loans	2.04	11.35	9.01
Other financial assets	2.05	13.46	12.69
Deferred Tax Assets (Net)	2.06	157.03	-
Other Non-current assets	2.07	59.79	47.15
Total Non-current Assets		391.74	242.24
Current Assets			
Financial Assets			
Trade receivables	2.08	1.90	5.33
Cash and cash equivalents	2.09	8.52	25.84
Other financial assets	2.05	1.65	0.66
Other current assets	2.07	33.12	55.33
Total Current Assets		45.19	87.16
Total Assets		436.93	329.40
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.10	810.00	810.00
Other Equity	2.11	(836.36)	(1,203.57)
Total Equity		(26.36)	(393.57)
Non-current Liabilities			
Financial Liabilities			
Borrowings	2.12	-	-
Provisions	2.13	10.99	9.13
Total Non-current Liabilities		10.99	9.13
Current Liabilities			
Financial Liabilities			
Borrowings	2.12	-	-
Trade payables			
Total outstanding dues of :			
- Micro & small enterprises		-	-
- Other		290.77	429.53
Other financial liabilities	2.14	137.29	249.42
Other current Liabilities	2.15	22.86	28.76
Provisions	2.13	1.38	6.13
Total Current Liabilities		452.30	713.84
Total Equity and Liabilities		436.93	329.40
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are an integral part of the financial statements.			
As per our report of even date		For and on behalf of the Board	
For Nayan Parikh & Co.			
Chartered Accountants			
Firm Registration No. 107023W			
K Y Narayana	Vatan Pathan	Rajesh Kumar Mittal	
Partner	Director & Chief Executive Officer	Director	
Membership No. 060639	DIN: 07468214	DIN: 07957284	
		Basant Haritwal	
		Chief Financial Officer	
Place : Mumbai		Place : Mumbai	
Dated: April 17, 2020		Dated: April 17, 2020	

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	Note No.	Year Ended	
		March 31, 2020	March 31, 2019
Revenue from Operations	3.01	487.29	471.17
Other Income	3.02	25.96	18.62
Total Income		513.25	489.79
Expenses			
Feed Charges		98.75	122.79
Other operational expenses	3.03	47.73	57.88
Employee benefit expenses	3.04	44.58	52.23
Finance cost	3.05	14.65	25.39
Depreciation, amortisation and impairment	3.06	22.36	128.71
Other expenses	3.07	69.10	82.56
Total Expenses		297.17	469.56
Profit / (Loss) before exceptional items and tax		216.08	20.23
Exceptional items	3.08	-	14.52
Profit / (Loss) before tax		216.08	5.71
Share of net Profit / (Loss) of Joint venture accounted for using the equity method		2.91	(3.51)
Profit / (Loss) before tax		218.99	2.20
Tax Expense:			
Current tax		-	-
Short / excess of current tax for earlier years (net)		6.29	-
Deferred tax		(157.03)	-
Profit/(Loss) for the year		369.73	2.20
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of post employment benefit obligation		(2.55)	1.69
Share of Other comprehensive income / (Loss) of Joint venture accounted for using the equity method		0.03	-
Income tax effect relating to these items		-	-
		(2.52)	1.69
Total Comprehensive Income / (Loss) for the year		367.21	3.89
Weighted Average Number of Shares		81,00,000	81,00,000
Earnings / (Loss) per equity share (Face value of ₹ 10/- each) :			
Basic and diluted (in ₹)	4.10	4.56	0.03
Summary of Significant Accounting Policies	1.00		
Refer accompanying notes. These notes are an integral part of the financial statements.			

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana

Partner

Membership No. 060639

Vatan Pathan

Director & Chief Executive Officer

DIN: 07468214

Rajesh Kumar Mittal

Director

DIN: 07957284

Basant Haritwal

Chief Financial Officer

Place : Mumbai

Dated: April 17, 2020

Place : Mumbai

Dated: April 17, 2020

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Consolidated Cash Flow Statement for the year ended March 31 2020

(₹ in lakhs unless otherwise stated)

Rs. in Lakhs

Particulars	Year Ended		Year Ended	
	March 31, 2020		March 31, 2019	
CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT / (LOSS) BEFORE TAX		218.99		2.20
Depreciation and Amortisation	22.36		128.71	
Amount no Longer Payable Written Back	(19.05)		(11.94)	
Sundry balances Written Off	-		5.55	
Impairment in value of Investments	-		14.52	
Share of net (Profit) / Loss of Joint venture accounted for using the equity method	(2.91)		3.51	
Impairment of trade receivables	-		4.00	
Reversal of Impairment of trade receivables	(5.64)		-	
Loss on Shortages of Assets	4.06		-	
Interest Income	(0.82)		(3.21)	
Provision for Gratuity and Leave Encashment	(2.94)		3.18	
Interest Expense	14.65	9.71	25.39	169.71
Operating Profit Before Change in Working Capital		228.70		171.91
Change in Assets & Liabilities				
(Increase) / Decrease in Trade Receivables	9.06		1.97	
(Increase) / Decrease in Other Financial Assets	(4.08)		60.57	
(Increase) / Decrease in Other Assets	25.36		15.12	
Increase / (Decrease) in Trade Payable	(119.72)		(10.49)	
Increase / (Decrease) in Provisions	(2.50)		(0.62)	
Increase / (Decrease) in Other Financial Liabilities	(72.13)		8.85	
Increase / (Decrease) in Other Current Liabilities	(5.88)	(169.89)	(85.88)	(10.48)
Cash Generated from Operations		58.81		161.43
Taxes Refund Received /(Paid) (Net)		(22.07)		19.15
Net Cash flow from / (used in) Operating activities		36.74		180.58
CASH FLOW FROM INVESTING ACTIVITIES:				
Interest Received	0.80		12.49	
Payments for acquisition of Property, Plant and Equipment	(0.21)	0.59	(1.37)	11.12
Net Cash Flow from / (used in) Investing Activities		0.59		11.12
CASH FLOW FROM FINANCING ACTIVITIES:				
Long Term Borrowing taken / (repaid)	(40.00)		(190.00)	
Interest Paid	(14.65)	(54.65)	(25.39)	(215.39)
Net Cash Flow from / (used in) Financing Activities		(54.65)		(215.39)
Net Increase / (Decrease) in Cash & Cash equivalents		(17.32)		(23.69)
Cash and Cash Equivalents at the Beginning of year		25.84		49.53
Cash and Cash Equivalents at the End of year		8.52		25.84
Reconciliation of cash and cash equivalents as per Cash Flow Statement				
Cash and cash equivalents				
Balances with banks:				
In Current Accounts		8.27		25.28
Cash in Hand		0.25		0.56
		8.52		25.84

Note - Above Consolidated Cash Flow Statement has been prepared by using Indirect method as per Ind AS - 7 on Statements of Cash Flows.

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana

Partner

Membership No. 060639

Vatan Pathan

Director & Chief Executive Officer

DIN: 07468214

Rajesh Kumar Mittal

Director

DIN: 07957284

Basant Haritwal
Chief Financial Officer

Place : Mumbai

Dated: April 17, 2020

Place : Mumbai

Dated: April 17, 2020

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

CIN : L65910MH1984PLC034514

Consolidated Statement of changes in equity for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

A Equity Share Capital

Particulars	Amount
Balance as at April 1, 2018	810.00
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2019	810.00
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2020	810.00

B Other Equity:

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained earnings	
Balance as at April 1, 2018	151.00	(1,358.46)	(1,207.46)
Profit/(Loss) for the year	-	2.20	2.20
Other Comprehensive Income for the year	-	1.69	1.69
Balance as at March 31, 2019	151.00	(1,354.57)	(1,203.57)
Profit / (Loss) for the year	-	369.73	369.73
Other Comprehensive Income for the year	-	(2.52)	(2.52)
Balance as at March 31, 2020	151.00	(987.36)	(836.36)

Summary of Significant Accounting Policies (Refer Note No.1)

Refer accompanying notes. These notes are an integral part of the financial statements

As per our report of even date

For Nayan Parikh & Co.

Chartered Accountants

Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana

Partner

Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Basant Haritwal
Chief Financial Officer

Place : Mumbai

Dated: April 17, 2020

Place : Mumbai

Dated: April 17, 2020

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED**Significant Accounting Policies and Notes to the Consolidated Financial Statements****BACKGROUND**

Hathway Bhawani Cabletel & Datacom Limited is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having registered office at 805/806, Windsor, 8th Floor, Off CST Road, Kalina, Santacruz (East), Mumbai-400098. The Company is engaged in Cable TV business. Its equity shares are listed on Bombay Stock Exchange (BSE) in India.

Authorisation of consolidated financial statements

The consolidated financial statements were authorized for issue in accordance with a resolution of the Board of directors on April 17, 2020.

1.00 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these consolidated financial statements. The financial statements are of the Holding Company and its Joint Venture.

1.01 BASIS OF PREPARATION

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value.

1.02 ROUNDING OF AMOUNTS

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs, except where otherwise indicated.

1.03 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Holding Company and its Joint Venture presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current if:

- (i) it is expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is expected to be realised within twelve months after the reporting period, or
- (iv) cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (i) it is expected to be settled in normal operating cycle
- (ii) it is held primarily for the purpose of trading
- (iii) it is due to be settled within twelve months after the reporting period, or
- (iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities on net

basis.

All assets and liabilities have been classified as current or non-current as per Holding Company's and its Joint Venture's normal operating cycle. Based on the nature of operations, the Holding Company and its Joint Venture has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.04 USE OF JUDGEMENTS, ESTIMATES & ASSUMPTIONS

While preparing consolidated financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as below:

Key sources of estimation uncertainty

- (i) Financial instruments; (Refer note 4.06)
- (ii) Useful lives of Property, Plant and Equipment and intangible assets; (Refer note

1.06 & 1.07)

- (iii) Obligations relating to employee benefits; (Refer note 4.03)
- (iv) Evaluation of recoverability of deferred tax assets; and
- (v) Contingencies (Refer note 4.01).

1.05 Principles of consolidation and equity accounting

(i) Joint Venture

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Holding Company has only one joint venture.

Interests in joint venture are accounted for using the equity method (see (ii) below), after initially being recognised at cost in the consolidated balance sheet.

(ii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Holding Company's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Holding Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint venture are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Holding Company and joint venture are eliminated to the extent of the ' Holding Company's interest in this entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Holding Company.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.08 below.

1.06 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Holding Company and its Joint Venture and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Holding Company and its Joint Venture has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II.

In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale, disposal or held for sale as the case may be. In case of impairment, depreciation is provided on the revised carrying amount over its remaining useful life.

All assets costing up to Rs. 5,000/- are fully depreciated in the year of capitalisation.

Deemed cost for Property, Plant and Equipment

The Company had elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as of the date of transition to Ind AS measured as per the previous GAAP and use that carrying value as it's deemed cost as of the transition date.

1.07 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible Assets acquired separately

Intangible assets comprises of Cable Television Franchise and Softwares. Cable Television Franchisee represents purchase consideration of a network that is mainly attributable to acquisition of subscribers and other rights, permission etc. attached to a network.

Intangible assets with finite useful lives that are acquired are recognized only if they are separately identifiable and the Holding Company and it's Joint Venture expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortisation and impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

Amortisation of intangible assets

Intangible assets with finite useful lives are amortized on a straight line basis over their useful economic lives and assessed for impairment whenever there is indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss. Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows :

- Softwares are amortised over the license period and in absence of such tenor, over five years.
- Cable Television Franchise are amortised over the contract period and in absence of such tenor, over twenty years.

The estimated useful lives, residual values, amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Deemed cost for Intangible assets

The Company had elected to continue with the carrying value of all of its Intangible assets recognised as of the date of transition to Ind AS measured as per the previous GAAP and

use that carrying value as it's deemed cost as of the transition date.

1.08 IMPAIRMENT OF ASSETS

Carrying amount of Tangible assets, Intangible assets, Investments in Joint Venture (which are accounted under equity method) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Holding Company and its Joint Venture's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.09 CASH AND CASH EQUIVALENTS

For the purpose of Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks or financial institutions and bank overdrafts.

1.10 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a Holding Company and its Joint Venture becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction

costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Holding Company and its Joint Venture classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following :

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost :

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI :

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL :

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets

The Holding Company and its Joint Venture assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Holding Company and its Joint Venture applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

The 'Holding Company and its Joint Venture's financial liabilities include trade and other payables, loans and borrowings.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities :

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities :

The Holding Company and its Joint Venture derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. If the Holding Company and its Joint Venture enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Financial Instruments :

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or

bankruptcy of the Holding Company and it's Joint Venture or the counterparty.

1.11 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an company incurs in connection with the borrowing of funds.

1.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Holding Company and it's Joint Venture has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of :

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.13 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS**(i) Short-term obligations**

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit & loss of the year in which the related services are rendered.

(ii) Post-employment obligations

The Holding Company and it's Joint Venture operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in

which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Defined contribution plans

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

(iii) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) Bonus Plans

The Holding Company and its Joint Venture recognises a liability and an expense for bonus. The Holding Company and its Joint Venture recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.14 REVENUE RECOGNITION

i) Income from Rendering of services

The Company derives revenues primarily from Cable TV business.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the company expect to receive in exchange for those services. Subscription revenue is recognized ratably over the period in which the services are rendered.

To recognize revenues, the Company applies the following five step approach:

1. identify the contract with a customer;
2. identify the performance obligations in the contract;
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract; and
5. recognize revenues when a performance obligation is satisfied

Revenue is measured based on the consideration specified in a contract with a

customer and excludes amounts collected on behalf of third parties.

A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time. While invoicing in excess of revenue are classified as contract liabilities (which we refer to as unearned revenue).

The Company presents revenues net of indirect taxes in its statement of profit and loss.

(ii) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

1.15 TAXES ON INCOME

Current Tax:

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax :

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts

for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed 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 the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Holding Company and it's Joint Venture have a legally enforceable right to set-off assets against liabilities.

1.16 EARNINGS PER SHARE (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing cost associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 LEASES

Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases” using the modified retrospective approach. Accordingly, the comparative information has not been restated and continues to be reported under Ind AS 17 “Lease”. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information. The following is the summary of the new and/or revised significant accounting policies related to Leases. Refer Note 1 “Significant Accounting policies”, in the Company’s 2019 Annual Report for the policies in effect for Leases prior to April 1, 2019. The effect of transition on Ind AS 116 was insignificant.

As a Lessee

The Company’s lease arrangements are short term in nature. Accordingly, the Company has elected to recognize the lease payments under short leases as an operating expense on a straight-line basis over the lease term.

As a Lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease income from operating leases where the Company is a lessor are recognized on either a straight-line basis or another systematic basis. The Company shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The Company present underlying assets subject to operating leases in its balance sheet according to the nature of the underlying asset.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Hathway Bhawani Cabletel & Datacom Limited

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

2.01

Property, Plant and Equipment :

	Gross Carrying Amount		Accumulated Depreciation / Impairment		Net Carrying Amount	
	As at April 1, 2019	Addition Disposal /Adjustment	As at March 31, 2020	As at April 1, 2019	As at March 31, 2020	As at March 31, 2019
Own Assets:						
Plant and Machinery	216.13	-	203.87	88.12	16.55	8.20
Air conditioners	4.16	-	4.16	3.06	0.51	-
Furniture & Fixtures	11.17	-	11.17	9.64	0.26	-
Mobile & Telephone	2.41	-	2.41	1.66	0.28	-
Computers	8.34	-	8.34	7.76	0.48	-
Office Equipments	0.74	0.21	0.95	0.72	0.03	-
Motor Vehicles	0.15	-	0.15	0.05	0.01	-
Total	243.09	0.21	231.04	111.02	18.13	8.20
					120.95	110.09
						132.07

	Gross Carrying Amount		Accumulated Depreciation / Impairment		Net Carrying Amount	
	As at April 1, 2018	Addition Disposal	As at March 31, 2019	As at April 1, 2018	As at March 31, 2019	As at March 31, 2018
Own Assets:						
Plant and Machinery	364.93	0.26	216.13	124.38	112.80	149.06
Air conditioners	3.44	0.72	4.16	2.58	0.48	-
Structural fittings	0.07	-	-	0.07	-	0.07
Furniture & Fixtures	11.17	-	11.17	9.39	0.26	-
Mobile & Telephone	2.01	0.40	2.41	1.26	0.40	-
Computers	8.34	-	8.34	7.01	0.75	-
Office Equipments	0.74	-	0.74	0.61	0.10	-
Motor Vehicles	0.15	-	0.15	0.04	0.01	-
Total	390.85	1.37	243.09	145.34	114.80	149.13
					111.02	132.07
						245.51

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

2.02 Intangible assets :

	Gross Carrying Amount		Accumulated Amortisation / Impairment		Net Carrying Amount	
	As at April 1, 2019	As at April 1, 2019	As at April 1, 2019	For the Year ended March 31, 2020	As at March 31, 2020	As at March 31, 2019
Cable Television Franchise	60.36	-	60.36	52.69	56.19	4.17
Softwares	4.85	-	4.85	3.61	4.35	0.50
Total	65.21	-	65.21	56.30	60.54	4.67

	Gross Carrying Amount		Accumulated Amortisation / Impairment		Net Carrying Amount	
	As at April 1, 2018	As at April 1, 2018	As at April 1, 2018	For the Year ended March 31, 2019	As at March 31, 2019	As at March 31, 2018
Cable Television Franchise	60.36	-	60.36	39.52	52.69	7.67
Softwares	4.85	-	4.85	2.87	3.61	1.24
Total	65.21	-	65.21	42.39	56.30	8.91

* Depreciation for the year includes impairment of Plant & Machinery ₹. Nil (March 31, 2019 ₹ 87.10)

Range of remaining period of amortisation of other Intangible Assets is as below:

	0 to 5 years	Total WDV
Cable Television Franchise	4.17	4.17
Softwares	0.50	0.50
	4.67	4.67

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

2.03 Non Current Investments		As at March 31, 2020		As at March 31, 2019
Investments in Government securities measured at amortised cost - Unquoted				
National Saving Certificates (Pledged with Government Authorities)		1.25		1.25
Total carrying value		1.25		1.25
Aggregate Amount of Unquoted Investments		1.25		1.25

2.04 Loans	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Security Deposits				
Considered good - unsecured	11.35	9.01	-	-
	11.35	9.01	-	-

2.05 Other financial assets	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Fixed Deposits with Bank (Refer Note No. 2.09)	13.04	12.28	-	-
Interest Accrued	0.42	0.41	0.67	0.66
Unbilled Revenue *	-	-	0.98	-
	13.46	12.69	1.65	0.66

* Classified as financial assets as right to consideration is unconditional upon passage of time.

2.06 Deferred Tax Assets	Non- current	
	As at	
	March 31, 2020	March 31, 2019
Deferred Tax Assets *		
Provision for Employee benefits	4.32	-
Property, Plant and Equipment	20.75	-
Impairment of Trade Receivables	125.09	-
Carried forward Business Losses	6.87	-
	(A) 157.03	-
Deferred Tax Liabilities		
Other temporary differences	-	-
	(B) -	-
Net Deferred Tax Assets (A-B)	157.03	-

Significant estimates -

* The deferred tax assets recognised is in respect of unused tax losses and other items. Considering implementation of New Tariff Order during the previous financial year, the Management is reasonably certain of future taxable income and hence recovery of such deferred tax assets.

2.07 Other assets	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Unsecured, considered good unless stated otherwise				
Advance Income Tax Paid (Net of Provision for tax)	59.79	44.01	-	-
Prepaid Rent	-	3.14	-	1.05
Prepaid expenses	-	-	1.72	0.28
Sundry Advances	-	-	-	0.00
GST Receivable	-	-	31.40	54.00
	59.79	47.15	33.12	55.33

2.08 Trade Receivables	Current	
	As at	
	March 31, 2020	March 31, 2019
Trade receivables - Unsecured	490.46	692.95
	490.46	692.95
Less : Provision for impairment	488.56	687.62
	1.90	5.33

2.09 Cash and cash equivalents	Non- current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Balances with Banks				
In Current Accounts	-	-	8.27	25.28
Cash on hand	-	-	0.25	0.56
	-	-	8.52	25.84
Other Bank Balances				
Fixed Deposits with Bank *	13.04	12.28	-	-
	13.04	12.28	-	-
Less: Amount disclosed under Other financial assets (Refer Note No.2.05)	13.04	12.28	-	-
	-	-	8.52	25.84

* Out of the above Fixed deposits with Bank of Maharashtra, deposits of ₹ 13.04 (Previous year ₹ 12.28) is given as security against outstanding Bank Guarantees.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

2.10 Equity Share Capital	As at	
	March 31, 2020	March 31, 2019
Paid up Capital comprises:		
81,00,000 (March 31, 2019 : 81,00,000) Equity Shares of ₹ 10 each fully paid up	810.00	810.00
	810.00	810.00

a) Reconciliation of the number of shares outstanding as at the beginning and end of the reporting year :

Particulars	As at			
	March 31, 2020		March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	81,00,000	810.00	81,00,000	810.00
Shares outstanding at the end of the year	81,00,000	810.00	81,00,000	810.00

b) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Particulars	As at	
	March 31, 2020	March 31, 2019
	Number of shares	Number of shares
Hathway Cable and Datacom Limited (Holding Company)	2,020,000	2,020,000
Hathway Media Vision Private Limited (Wholly Owned subsidiary of Holding Company)	2,160,000	2,160,000
Jio Cable and Broadband Holdings Private Limited (Entities exercising control over Parent)	1,031,196	-
	5,211,196	4,180,000

c) Rights, Preference and restrictions attached to Shares;

Terms/ Rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share and proportionate amount of dividend if declared to the total number of shares. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by the share holders.

d) The details of shareholders holding more than 5% shares in the Company:

Name of Shareholder	As at		As at	
	March 31, 2020		March 31, 2019	
	Number of shares	% of Holding	Number of shares	% of Holding
Hathway Cable and Datacom Limited	20,20,000	24.94%	20,20,000	24.94%
Kuldeep Puri	-	-	5,04,339	6.23%
Kulbhushan Puri	-	-	426,383	5.26%
Jio Cable and Broadband Holdings Private Limited	10,31,196	12.73%	-	-
Hathway Media Vision Private Limited	21,60,000	26.67%	21,60,000	26.67%

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

2.11 Other equity	As at	
	March 31, 2020	March 31, 2019
Securities Premium	151.00	151.00
Retained earning	(987.36)	(1,354.57)
Total	(836.36)	(1,203.57)

a) Retained earnings :

Retained earnings are the losses that the Company has incurred till date.

b) Securities Premium :

Securities premium is used to record the premium on issue of shares. The Securities premium is utilised in accordance with the provisions of the Act.

2.12 Non Current Borrowings	Non - Current portion		Current Maturities of Long Term Debt	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Loans and Advances from Related Parties				
Unsecured				
Loan From Fellow Subsidiary	-	-	120.00	160.00
	-	-	120.00	160.00
Less: Amount disclosed under the head 'Other Financial Liabilities' (Note No. 2.14)	-	-	120.00	160.00
	-	-	-	-

Nature of Security and terms of repayment for borrowings:

Nature of Security	Terms of Repayment
Unsecured Loan	
Loan from Hathway Digital Private Limited amounting to ₹ 120 (March 31, 2019: ₹ 160)	Principal repayable within 1 years (extendable as agreed between the Company and Fellow Subsidiary) bearing interest rate @10.6% p.a.

2.13 Provisions	Non - Current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Employee benefits				
Gratuity (unfunded)	7.90	6.92	0.98	0.38
Leave Encashment	3.09	2.21	0.40	5.75
	10.99	9.13	1.38	6.13

2.14 Other Financial Liabilities	Current	
	As at	
	March 31, 2020	March 31, 2019
Current Maturities of Long term debt (Refer Note 2.12)	120.00	160.00
Security Deposits	2.54	45.64
Salary and Employee benefits payable	1.81	8.97
Other Financial Liabilities	12.94	34.81
	137.29	249.42

2.15 Other Current Liabilities	As at	
	March 31, 2020	March 31, 2019
Income received in advance	5.03	15.46
Statutory payables	17.83	11.44
Others	-	1.86
	22.86	28.76

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

3.01 Revenue from operations	Year Ended	
	March 31, 2020	March 31, 2019
Sale of services	487.29	471.17
	487.29	471.17
3.02 Other Income	Year Ended	
	March 31, 2020	March 31, 2019
Interest income earned on financial assets :		
Interest on Fixed Deposit	0.81	3.20
Interest on Government Securities	0.01	0.01
Unwinding Interest on Security Deposit	0.45	0.80
Interest on Income Tax Refund	-	2.59
Other Non Operating Income		
Amount no Longer Payable Written Back	19.05	11.94
Reversal of Impairment of trade receivables	5.64	-
Miscellaneous Income	-	0.08
	25.96	18.62
3.03 Other Operational Expenses	Year Ended	
	March 31, 2020	March 31, 2019
Commission	21.70	24.94
Repairs & Maintenances - Machinery	9.48	8.50
Rent	7.04	8.17
Other Operating Expenses	9.51	16.27
	47.73	57.88
3.04 Employee Benefit Expenses	Year Ended	
	March 31, 2020	March 31, 2019
Salaries and wages	40.48	48.02
Contribution to Provident fund and other funds	3.18	3.27
Staff welfare expenses	0.92	0.94
	44.58	52.23
3.05 Finance Costs	Year Ended	
	March 31, 2020	March 31, 2019
Interest Expenses	14.65	25.39
	14.65	25.39
3.06 Depreciation, Amortization and Impairment	Year Ended	
	March 31, 2020	March 31, 2019
Depreciation on Property, Plant and Equipment	18.13	114.80
Amortisation of intangible assets	4.23	13.91
	22.36	128.71
3.07 Other Expenses	Year Ended	
	March 31, 2020	March 31, 2019
Impairment of trade receivables	-	4.00
Bad Debts	193.42	-
Less: Transfer from Impairment of trade receivables	(193.42)	-
	-	-
Services charges	32.76	25.38
Legal & Professional charges	10.51	12.56
Printing and stationery	0.87	7.01
Sundry balances Written Off	-	5.55
Conveyance	3.13	5.48
Electricity charges	0.87	4.00
Business promotion expenses	2.49	2.72
Sitting Fees	2.40	2.30
Office expenses	2.12	1.69
Communication charges	0.55	0.89
Repairs & Maintenances - Others	0.50	0.67
Insurance others	1.65	0.63
Loss on Shortage of assets	4.06	-
Rates and taxes	0.97	0.00
Interest on Taxes	1.82	0.00
Miscellaneous Expenses	0.67	5.95
Auditor's Remuneration :		
- Statutory Audit Fees	3.73	3.73
	69.10	82.56
3.08 Exceptional Item	Year Ended	
	March 31, 2020	March 31, 2019
Impairment of Investments in Joint Venture	-	14.52
	-	14.52

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.01 Contingent Liabilities

During the current financial year, the Company has received Show Cause cum Demand notices ("SCNs") from the Department of Telecommunications ("DOT"), Government of India on provisional assessment of due license fees for the financial years 2007-08 and 2009-10 aggregating to Rs. 787.11 Lakhs including penalty and interest thereon (March 31, 2019: Rs. Nil). The Company has responded to DOT contesting the basis of their demand, the outcome of which is pending. Based on legal opinion and Managements own assessment of the matter, the Company is of the view that it has more than reasonable chance of success and hence, no provision is necessary.

4.02 Capital And Other Commitments

There are no Capital and other commitments as at March 31, 2020 (March 31, 2019 : Nil)

4.03 Employee Benefits

a) Defined Benefit Plans:

The Present value of the defined benefit obligations and related current service cost were measured using the Projected Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet date.

Interest Risk :	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk :	The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.
Salary Risk :	The Gratuity benefit, being based on last drawn salary, will be critically effected in case of increase in future salaries being more than assumed.

Category	March 31, 2020 [Gratuity]	March 31, 2019 [Gratuity]
1. Expense recognised in the Statement of Profit and Loss		
Current Service Cost	0.72	0.91
Net Interest	0.56	0.60
Expense recognised in the Statement of Profit and Loss	1.28	1.51
2. Other Comprehensive Income (OCI)		
Measurement of net defined benefit liability		
Actuarial (gains)/ losses arising from changes in financial assumption	0.96	(3.86)
Actuarial (gains)/ losses arising from experience adjustments	1.59	2.17
Total Actuarial (Gain) / loss recognised in OCI	2.55	(1.69)
3. Change in benefit obligations:		
Projected benefit obligations at beginning of the year	7.29	8.09
Current Service Cost	0.72	0.91
Interest Cost	0.56	0.60
Benefits Paid	(2.24)	(0.61)
Actuarial (Gain) / Loss	2.55	(1.69)
Projected benefit obligations at end of the year	8.88	7.29
4. Fair Value of Plan Asset		
Fair Value of Plan Asset at the beginning of the year	-	-
Contributions by employer	(2.24)	(0.61)
Benefits Paid	2.24	0.61
Fair Value of Plan assets at end of the year	-	-

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

Category	March 31, 2020 [Gratuity]	March 31, 2019 [Gratuity]
5. Net Liability		
Projected benefit obligations at the end of the year	8.88	7.29
Fair Value of Plan Asset at the end of the year	-	-
Net Liability	8.88	7.29
6. The net liability disclosed above relates to unfunded plans are as follows:		
Projected benefit obligations at the end of the year	8.88	7.29
Fair Value of Plan Asset at the end of the year	-	-
Deficit of gratuity plan	8.88	7.29
7. Sensitivity Analysis		
Increase/(decrease) on present value of benefit obligation at the end of the year		
50 basis point increase in discount rate	(8.44)	(6.93)
50 basis point decrease in discount rate	9.35	7.68
50 basis point increase in rate of salary increase	9.35	7.69
50 basis point decrease in rate of salary increase	(8.43)	(6.92)
8. Principal assumptions used for the purpose of actuarial valuation		
Mortality	IALM (2012-2014) UTI	IALM (2012-2014) UTI
Interest /discount rate	6.75%	7.90%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	11.08	11.08
Employee Attrition Rate (Past service (PS))	21-30 - 10%	5.00%
	31-40 - 5%	
	41-50 - 3%	
	51-59 - 2%	

b. Defined Contribution Plans:

The Holding Company contributes towards provident fund to a defined contribution plan for qualifying employees. Under the plan, the Holding Company is required to contribute a specified percentage of payroll cost to the defined contribution plan to fund the benefits.

An amount of ₹ 3.18 (Previous year ₹ 3.27) is recognised as an expenses and included in Employee benefit expenses (Refer Note 3.04)

4.04 Leases

As a Lessee

Short term leases accounted in the statement of Profit and Loss for the Financial Year 2019-20 is ₹ 7.04 Lakhs.

The Company's significant leasing arrangements in terms of Ind AS 116 on lease are in respect of Leases for Premises. These lease arrangements have price escalation clauses. The period of these leasing arrangements, which are cancellable in nature, range between 11 months to five years and are renewable by mutual consent.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.05 Capital Management

The Holding Company manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders.

The principal source of funding of the Company has been, and is expected to continue from cash generated from its operations supplemented by funding from borrowings.

4.06 Financial Instruments

i) Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

a) The carrying amounts of trade receivables, cash and cash equivalents, trade payables, and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

b) The fair value for long term security deposits given is calculated based on cash flow discounted using current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

ii) Categories of financial instruments

The Holding Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	March 31, 2020		March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost				
Investments	1.25	1.25	1.25	1.25
Trade receivables	1.90	1.90	5.33	5.33
Loans	11.35	11.35	9.01	9.01
Other financial assets	15.11	15.11	13.35	13.35
Cash and cash equivalents	8.52	8.52	25.84	25.84
Financial liabilities				
Measured at amortised cost				
Borrowings	120.00	120.00	160.00	160.00
Trade payables	290.77	290.77	429.53	429.53
Other financial liabilities	17.29	17.29	89.42	89.42

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.07 Financial Risk Management

The Holding Company is not exposed to market risk and has insignificant credit and liquidity risk as explained below :

Risk	Exposure arising from	Measurement
1) Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis
2) Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts

Credit risk

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed. The Company's exposure to credit risk arises mainly from the trade receivables, distributor commission, consultancy income and balances with banks. Credit risks from balances with banks are managed in accordance with the Company policy. The Company's major revenue streams arises from services provided to end use customers in form of monthly subscription income. The trade receivables on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. There is no concentration of credit risk. The Company follows a simplified approach (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring the lifetime ECL allowance for trade receivables, the Company uses a provision matrix which comprise a very large number of small balances grouped into homogenous groups and assessed for impairment collectively. In addition, in case there are events or changes in circumstances indicating individual trade receivable is required to be reviewed on qualitative aspects, necessary provisions are made.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

Age of Receivables	As At March 31,	
	2020	2019
Within the credit period		
1-90 days past due	1.03	53.60
91-180 days past due	1.44	54.43
181-270 days past due	0.14	32.42
271-360 days past due	0.11	32.42
More than 365 days	487.75	520.08
	490.46	692.95

Movement in the expected credit loss allowance	Year ended March 31,	
	2020	2019
Balance at beginning of the year	687.62	683.62
Provided during the year	-	4.00
Bad Debts Written off	(193.42)	-
Reversal during the year	(5.64)	-
Balance at end of the year	488.56	687.62

Liquidity risk

Liquidity risk is defined as the risk that the Holding company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Holding Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

March 31, 2020

Particulars	less than 1 year	1 to 5 year	Total
<u>Non-Derivatives</u>			
Trade payables	290.77	-	290.77
Borrowings	120.00	-	120.00
Other financial liabilities	17.29	-	17.29
Total	428.06	-	428.06

March 31, 2019

Particulars	less than 1 year	1 to 5 year	Total
<u>Non-Derivatives</u>			
Trade payables	429.53	-	429.53
Borrowings	160.00	-	160.00
Other financial liabilities	89.42	-	89.42
Total	678.95	-	678.95

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.08 Segmental Reporting

As the Holding Company's business activity falls within a single business segment in terms of Ind AS 108 on "Operating Segments", the financial results are reflective of the information required by Ind AS 108.

4.09 Related Party Disclosures

Particulars of Related Parties

A. Name of Related Parties and Related party Relationship

I. Controlled by:

Parent

Hathway Cable and Datacom Limited

Entities exercising control over Parent

Reliance Industries Limited (w.e.f. January 30, 2019)

Reliance Industrial Investments and Holdings Limited (w.e.f. January 30, 2019) (Protector of Digital Media Distribution Trust), wholly owned subsidiary of Reliance Industries Limited, Digital Media Distribution Trust (w.e.f. January 30, 2019)

Jio Content Distribution Holdings Private Limited (w.e.f. January 30, 2019) \$

Jio Internet Distribution Holdings Private Limited (w.e.f. January 30, 2019) \$

Jio Cable and Broadband Holdings Private Limited (w.e.f. January 30, 2019) \$

II. Joint Venture

Hathway Bhawani NDS Network Private Limited

III. Fellow Subsidiary

Hathway Digital Private Limited

IV. Key Managerial Personnel

Non Executive Directors

Independent Directors

Mr. Dilip Worah

Mr. L. K. Kannan

\$ Controlled by Digital Media Distribution Trust of which Reliance Content Distribution Limited - Wholly owned Subsidiary of Reliance Industries Limited, is the sole beneficiary.

Compensation to Key Managerial Personnel :-

Particulars	F.Y. 2019-20	F.Y. 2018-19
Sitting fees	2.40	2.30
Total Compensation	2.40	2.30

B. Related Party Transactions

Type of Transactions	Name of the Party	F.Y. 2019-20	F.Y. 2018-19
Consultancy charges earned	Hathway Bhawani NDS Network Private Limited	11.00	23.00
Loan repaid	Hathway Digital Private Limited	40.00	190.00
Marketing & Promotion Income	Hathway Digital Private Limited	13.97	-
Commission Income	Hathway Digital Private Limited	147.12	122.52
Network Usage Charges earned	Hathway Digital Private Limited	30.00	30.00
Feed Charges Paid	Hathway Digital Private Limited	98.75	122.80
STB Activation Paid	Hathway Digital Private Limited	5.63	11.08
Interest paid	Hathway Digital Private Limited	14.65	25.39
(Impairment) / Reversal of Impairment in value of Investments	Hathway Bhawani NDS Network Private Limited	-	(14.53)

Type of Balances	Name of the Party	As at March 31, 2020	As at March 31, 2019
Balance as at year end			
Trade Payable	Hathway Cable and Datacom Limited	25.15	35.41
Unsecured Loan	Hathway Digital Private Limited	120.00	160.00
Trade Payable	Hathway Digital Private Limited	252.65	381.52
Investments	Hathway Bhawani NDS Network Private Limited	54.05	54.05
Impairment in value of Investments	Hathway Bhawani NDS Network Private Limited	14.53	14.53

4.10 Earnings / (Loss) Per Share

	As at March 31, 2020	As at March 31, 2019
Basic earnings per share (₹)		
Attributable to equity holders of the Company	4.56	0.03
Diluted earnings per share (₹)		
Attributable to equity holders of the Company	4.56	0.03
Nominal value of Ordinary shares : (₹)	10.00	10.00
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit / (Loss) attributable to equity holders of the Company used in calculating basic earnings per share	369.73	2.20
Diluted earnings per share		
Profit / (Loss) attributable to equity holders of the Company used in calculating diluted earnings per share	369.73	2.20
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	8,100,000	8,100,000

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.11 Revenue from contract with customers

Disaggregation of Revenue

As the Holding Company's business activity falls within a single business segment viz. providing Cable Television services which is considered as the only reportable segment and the revenue substantially being in the domestic market, the financial statements are reflective of the information required by Ind AS 108 "Operating Segment". The nature, amount, timing and uncertainty of revenue and cash flows are similar across company's revenue from contracts with customers. Accordingly, there is no disaggregation of revenue disclosed.

Contract Balances

The Holding Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, contract assets and contract liabilities for the contracts with the customers.

Particulars	March 31, 2020	March 31, 2019
Receivables, which are included in 'Trade and other receivables'	1.90	5.33
Contract assets	-	-
Contract liabilities (Unearned Revenue)	5.03	15.46

The contract assets primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the billing recognized in advance where performance obligations are yet to be satisfied.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

Particulars	March 31, 2020	
	Contract assets	Contract liabilities
Balance at the beginning of the year	-	15.46
Less: Revenue Recognised that is included in the contract liability balance at the beginning of the year	-	(15.46)
Add: Advance income received from the customer during the year	-	5.03
Balance at the end of the year	-	5.03

Particulars	March 31, 2019	
	Contract assets	Contract liabilities
Balance at the beginning of the year	-	100.84
Less: Revenue Recognised that is included in the contract liability balance at the beginning of the year	-	(100.84)
Add: Advance income received from the customer during the year	-	15.46
Balance at the end of the year	-	15.46

Performance Obligations And Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performances as the performance obligations relates to contracts that have an original expected duration of one year or less.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.12 Interest in other entities

a) Interest in Joint Venture

Below is the joint venture of the Holding Company as at March 31, 2020 which, in the opinion of the directors, is material to the Holding Company. The entity listed below has share capital consisting solely of equity shares, which are held directly by the Holding Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					March 31, 2020	March 31, 2019
Hathway Bhawani NDS Network Private Limited *	India	51%	Joint Venture	Equity Method	34.10	31.16

* Unquoted

Place of incorporation and operations: India

Principal activity: Cable television network services

Reconciliation of Net Assets considered for Consolidated Financial Statement to Holding Company's share in Net Assets as per Joint Venture's financial statements

Particulars	March 31, 2020	March 31, 2019
Opening net assets	61.10	67.99
Profit / (Loss) for the year	5.71	(6.89)
Other comprehensive income	0.06	-
Closing net assets	66.87	61.10
Holding Company's share in %	51%	51%
Holding Company's Share in INR	34.10	31.16
Carrying amount	34.10	31.16

Summarised Balance Sheet

Particulars	Hathway Bhawani NDS Network Private Limited	
	March 31, 2020	March 31, 2019
Current assets		
Cash and cash equivalents	22.27	11.08
Other assets	5.95	13.84
Total Current assets	28.22	24.92
Total Non current assets	46.50	50.80
Current liabilities		
Financial Liabilities	3.09	9.20
Other liabilities	4.35	5.04
Total current liabilities	7.44	14.24
Non current liabilities		
Financial Liabilities	-	-
Other liabilities	0.41	0.38
Total Non current liabilities	0.41	0.38
Net assets	66.87	61.10

Summarised Statement of Profit and Loss

Particulars	Hathway Bhawani NDS Network Private Limited	
	March 31, 2020	March 31, 2019
Revenue	119.11	115.23
Interest Income	0.06	0.07
Depreciation & amortisation	0.33	0.56
Income Tax expense	4.70	3.48
Profit or (loss) for the year	5.71	(6.89)
Other Comprehensive income or (loss) for the year	0.06	-
Total Comprehensive income or (loss) for the year	5.77	(6.89)
Dividend received	-	-

Share in Contingent Liabilities of Hathway Bhawani NDS Network Private Limited is Rs. NIL (March 31, 2019: Rs. NIL)

Share in Capital and Other Commitments of Hathway Bhawani NDS Network Private Limited is Rs. NIL (March 31, 2019: Rs. NIL)

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Notes to the Consolidated Financial Statements

(₹ in lakhs unless otherwise stated)

4.13 Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as Joint Venture

March 31, 2020 :

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Hathway Bhawani Cabletel & Datacom Limited	229.38%	(60.46)	99.21%	366.82	101.18%	(2.55)	99.20%	364.27
Joint Venture (Investment as per equity method)								
Indian								
Hathway Bhawani NDS Network Private Limited	-129.38%	34.10	0.79%	2.91	-1.18%	0.03	0.80%	2.94
Total	100.00%	(26.36)	100.00%	369.73	100.00%	(2.52)	100.00%	367.21

March 31, 2019 :

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Hathway Bhawani Cabletel & Datacom Limited	107.92%	(424.73)	259.55%	5.71	100.00%	1.69	190.12%	7.40
Joint Venture (Investment as per equity method)								
Indian								
Hathway Bhawani NDS Network Private Limited	-7.92%	31.16	-159.55%	(3.51)	0.00%	-	-90.12%	(3.51)
Total	100.00%	(393.57)	100.00%	2.20	100.00%	1.69	100.00%	3.89

4.14 Previous year's figures have been reclassified / regrouped wherever necessary.

As per our report of even date

For Nayan Parikh & Co.
Chartered Accountants
Firm Registration No. 107023W

For and on behalf of the Board

K Y Narayana
Partner
Membership No. 060639

Vatan Pathan
Director & Chief Executive Officer
DIN: 07468214

Rajesh Kumar Mittal
Director
DIN: 07957284

Basant Haritwal
Chief Financial Officer

Place : Mumbai
Dated: April 17, 2020

Place : Mumbai
Dated: April 17, 2020

-: NOTES :-

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**HATHWAY BHAWANI
CABLETEL & DATACOM LIMITED**

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